

# **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 Offer closes at 7.00pm (Sydney time) on 23 March 2011, unless extended**



## **ACCEPT**

**the cash offer by Sunstar Capital Pty Ltd to purchase all of your shares in  
Anchor Resources Limited**

**For each Anchor Share you will receive \$0.28 cash**

**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

**NORTON ROSE**

## IMPORTANT INFORMATION

This Bidder's Statement is a replacement bidder's statement dated 14 February 2011 and is issued by Sunstar Capital Pty Ltd ACN 147 934 852 (**Sunstar Capital**), a wholly owned subsidiary of Shandong Jinshunda Group Corporation Limited (**Jinshunda**), under Part 6.5 of the Corporations Act and sets out certain disclosures required by the Corporations Act together with the terms and conditions of the Offer to acquire your Anchor Shares. This Bidder's Statement replaces the bidder's statement lodged with ASIC on 28 January 2011. It incorporates the bidder's statement lodged with ASIC on 28 January 2011 and changes made in the supplementary bidder's statement lodged with ASIC on the same date as this Bidder's Statement.

A copy of this Bidder's Statement was lodged with ASIC on 14 February 2011. Neither ASIC nor its officers takes any responsibility for the content of this Bidder's Statement

*This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You may wish to consult your professional advisers before deciding whether or not to accept the Offer.*

### Forecasts and forward-looking statements

Any projections or other forward looking statements contained in this Bidder's Statement are based on Sunstar Capital's and Jinshunda's current expectations about future events as at the date of this Bidder's Statement. Such statements are only predictions and are subject to inherent risks and uncertainties (both known and unknown) many of which are outside the control of Sunstar Capital and Jinshunda and their respective directors. Those risks and uncertainties that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such projections or other forward looking statements.

None of Sunstar Capital, Jinshunda, the officers of each of those entities, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law.

### Information on Anchor

The information on Anchor, Anchor's securities and Anchor Group contained in this Bidder's Statement has been prepared by Sunstar Capital using publicly available information and limited information made available to Sunstar Capital by Anchor.

Information in this Bidder's Statement concerning Anchor or its business has not been independently verified by Sunstar Capital or Jinshunda. Accordingly, Sunstar Capital and Jinshunda do not, subject to the Corporations Act, make any representation or warranty (express or implied) as to the accuracy or completeness of such information.

Further information relating to Anchor and its business may be included in Anchor's Target's Statement, which Anchor must provide to its shareholders in response to this Bidder's Statement.

### Privacy

Sunstar Capital has collected or will collect your information from the Anchor register of shareholders for the purpose of making this Offer and, if accepted, administering a record of your acceptance of the Offer for your holding of Anchor Shares. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Sunstar Capital's related bodies corporate and external service providers, and may be required to be disclosed to regulators such as ASIC. The address of Sunstar Capital is c/o Norton Rose Australia, RACV Tower, Level 15, 485 Bourke Street, Melbourne, Victoria 3000.

### Defined terms and abbreviations

Certain words and terms used in this Bidder's Statement have defined meanings which are set out in section 9.

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## Key Dates

Announcement date	20 December 2010
Original Bidder's Statement lodged with ASIC and ASX	28 January 2011
Date of this replacement Bidder's Statement	14 February 2011
Date of the Offer	22 February 2011
Date of Offer conditions notice*	7.00pm (Sydney time) on 16 March 2011
Date Offer closes (unless extended or withdrawn)	23 March 2011

\* This date is indicative only and may be changed as permitted by the Corporations Act

## CHAIRMAN'S LETTER



中国山东金顺达集团有限公司

CHINA SHANDONG JINSHUNDA GROUP CO.,LTD.

14 February 2011

Dear Anchor shareholders,

### Takeover Bid for Anchor Resources Limited

On behalf of the Board of Shandong Jinshunda Group Corporation Limited (**Jinshunda**), I am pleased to present to you this offer to acquire all of your shares in Anchor Resources Limited (**Anchor**).

Jinshunda, through its wholly owned Australian subsidiary, Sunstar Capital Pty Ltd (**Sunstar Capital**), is offering \$0.28 cash for each Anchor Share that you own (**Offer**).

The Offer Price represents a very attractive premium for your Anchor Shares. In particular, it represents a:

- 12 cents or 75% premium to the last traded price of shares in Anchor on 14 December 2010 (being, the last date on which Anchor Shares traded prior to the date of the announcement of Jinshunda's takeover proposal for Anchor on 20 December 2010 (**Initial Announcement**)) of 16 cents;
- 12 cents or 75% premium to the offer price of 16 cents under Anchor's 2010 Non-Renounceable Rights Issue which closed 2 days after the date of the Initial Announcement;
- 11.10 cents or 65.68% premium to the 3 month Anchor Share VWAP to 19 December 2010 (being, the last trading date prior to the date of the Initial Announcement); and
- 11.82 cents or 73.05% premium to the 6 month Anchor Share VWAP to 19 December 2010 (being, the last trading date prior to the date of the Initial Announcement).

Importantly, the Offer provides certainty of cash value to Anchor shareholders (subject to the conditions of the Offer being satisfied or waived).

Jinshunda is a private company incorporated in the People's Republic of China. Headquartered in Zibo City Shandong Province, the group employs approximately 5,400 full time employees and, as at 31 December 2010, had total consolidated assets of approximately \$723 million with net assets of approximately \$450 million (in each case, based on an AUD : RMB exchange rate of 1 AUD : 6.6 RMB). Since Jinshunda's incorporation in 1972, it has experienced strong growth and has established a well diversified business portfolio, including mining, metallurgical processing, bio-technology and real estate development.

Sunstar Capital is a wholly owned subsidiary of Jinshunda. Sunstar Capital was incorporated in Australia on 20 December 2010 for the purposes of making the Offer and has not undertaken any business other than activities associated with making the Offer.

The Offer is subject to a number of conditions, including Jinshunda, Sunstar Capital and their Associates obtaining a relevant interest in 50% of all Anchor Shares on issue. You should read section 8.7, which sets out the full terms of all the conditions of the Offer.

I strongly encourage you to read the entire Bidder's Statement carefully, and then accept the Offer as soon as possible. To accept the Offer, you should follow the instructions on the Acceptance Form.

If you require any assistance, please contact the Sunstar Capital Offer Information Line on 1300 794 682 (local call charges apply) from within Australia or +61 2 8280 7751 (normal charges apply) from outside Australia.

Yours sincerely

**Wang Gan**  
**Chairman –Shandong Jinshunda Group Corporation Limited**

## WHY YOU SHOULD ACCEPT THE OFFER

- **The Offer represents an attractive premium to recent trading prices**

The Offer of \$0.28 cash per Anchor Share represents an attractive premium to the last traded price of shares in Anchor prior to the date of the Initial Announcement and the offer price under Anchor's 2010 Non-Renounceable Rights Issue.

- **You will receive certainty of value for your Anchor Shares**

The Offer of \$0.28 cash per Anchor Share provides certainty of cash value to Anchor shareholders (subject to the conditions of the Offer being satisfied or waived).

You will be paid the cash consideration for your Anchor Shares within one month after the later of the receipt of your acceptance and the date on which the Offer becomes unconditional and, in any event, within 21 days after the end of the Offer Period (subject to the conditions of the Offer being satisfied or waived).

- **Anchor's share price may fall if the Offer is not successful**

If the Offer does not proceed and no other offers are made for Anchor Shares, it is likely that Anchor's share price will fall below the current trading price.

- **The Offer removes your exposure to the specific risks and uncertainties associated with Anchor's existing projects**

The certainty of the Offer (subject to the conditions of the Offer being satisfied or waived) should be compared to the specific risks and uncertainties associated with Anchor's existing projects.

### Exploration and Resource Risk

Anchor currently owns 8 prospective projects in New South Wales and Queensland, each of which are at different stages of exploration. There is a risk that Anchor's exploration programs may not result in the identification of resources sufficient to underpin the development of a viable project. In particular, Anchor noted in its 2010 Annual Report lodged with ASX on 14 October 2010 that, since the Global Financial Crisis, Anchor has focused its financial and human resources primarily on its highest priority projects. Consequently, exploration programs for Blinks (NSW), Thunderbolts (NSW), Munga (NSW) Canonba (NSW) Birdwood (NSW) and Chillagoe (QLD) were reduced to conserve Anchor's financial position. In addition, Anchor's Quarterly Activities Report lodged with ASX on 31 January 2011 provided that Anchor only undertook field work during the December quarter in respect of its Bielsdown project. Work on the Blinks (NSW) project was reported as being limited to a review of previous exploration and deposit models and finalisation of work programs. No other exploration or evaluation work for the quarter was disclosed in that report.

The Independent Geologist's Report accompanying Anchor's Initial Public Offering Prospectus dated 11 May 2007 and lodged with ASX on 5 June 2007 (**Independent Geologist's Report**) included the following statements in respect of Anchor's Bielsdown project in New South Wales, the company's flagship project:

- The Wild Cattle Creek deposit [Bielsdown project] remains open at depth and possibly along strike and additional drilling to extend the present **modest** resources is justified [emphasis added].
- The current resource is small and would need to be enlarged before a stand-alone development could be contemplated.



- The deposit remains open at depth and therefore there is potential for **modest** increases to the existing resource base [emphasis added].

While Anchor announced an increase in indicated and inferred resources at the Bielsdown project to ASX on 23 November 2009 and 9 December 2010, there can be no assurance that the resource will be sufficient to underpin the development of a viable project.

Even if resources are sufficient to justify a viable project, Anchor's exploration programs are subject to risks associated with:

- obtaining a grant of any exploration or mining tenements which are applications or renewal of existing tenements upon expiry of their current term; and
- environmental management issues with which Anchor may be required to comply from time to time.

On 8 July 2010, Anchor announced to ASX that SRK Consulting (Australasia) Pty Ltd was undertaking a scoping study on the Bielsdown project. Whilst Anchor confirmed to ASX on 9 December 2010 that the scoping study was subject to frustrating and unplanned delays, it said that results of the scoping study were expected pre-Christmas. On 12 January 2011, Anchor announced to ASX that it expected to release the results of the scoping study shortly. Anchor's Quarterly Activities Report lodged with ASX on 31 January 2011 stated that Anchor anticipates delivery of the final scoping study results and report in the coming weeks. As at the date of this Bidder's Statement, the results of the scoping study are yet to be publicly released.

You should compare the likelihood of significant resources being discovered at Anchor's existing projects and of those resources being sufficient to underpin the development of a viable project with the certainty of receiving a cash payment of \$0.28 per Anchor Share you hold under the Offer (subject to the conditions of the Offer being satisfied or waived).

### **Operational and Processing Risk**

Should significant resources be discovered at any one or more of Anchor's projects, there is no guarantee that the relevant project will be commercially viable and that Anchor's mining and processing operations will be profitable.

The operational and processing risk associated with commercial processing at one or more of Anchor's projects include:

- risks relating to continuity of ore deposits, fluctuations in grades and values of products being mined, metallurgical issues and unforeseen operational and technical problems;
- risks that operations may be adversely affected or hampered by industrial disputes; and
- environmental management issues with which Anchor may be required to comply from time to time.

The Independent Geologist's Report included the following comments in respect of the commercialisation of antimony concentrate from the Wild Cattle Creek prospect at the Bielsdown project in New South Wales, Anchor's flagship project:

- The high mercury content presents a potential metallurgical problem as high mercury values in antimony concentrates could render the concentrates unsaleable.
- Goldner & Associates is concerned that metallurgical test work in the past has indicated potential problems in being able to produce a saleable concentrate from the mineralisation and believes that a program of metallurgical test work should be a priority early in the program.

The Straits Resources Limited Demerger Scheme Booklet dated 17 December 2010 and lodged with ASX on 20 December 2010 indicated that Straits Resources Limited had recently undertaken a significant write down of the value of its Hillgrove antimony project, which is located in close proximity to Anchor's Bielsdown project. The significant write down was a result of difficulties processing antimony and the cost and time required to carry out modifications to its processing plant to achieve commercially viable production levels.

You should compare the difficulties and costs associated with processing commercially viable levels of Anchor's target resources including antimony, with the certainty of receiving a cash payment of \$0.28 per Anchor Share you hold under the Offer (subject to the conditions of the Offer being satisfied or waived).

### **Price Risk**

Whilst the price of antimony (Sb) currently remains high, there can be no assurance that it will remain at this level. Anchor is also subject to fluctuations in other commodity prices such as the price of gold, copper, silver, lead, zinc, molybdenum, tin, tungsten and rare earth elements

- **The Offer removes your exposure to the general risks and uncertainties associated with a continued holding in Anchor**

Sunstar Capital believes that the Offer represents a full and fair value for your Anchor Shares. The certainty of the Offer (subject to the conditions of the Offer being satisfied or waived) should be compared to the general external and company specified risks and uncertainties to which Anchor may be subject which could affect the trading price of Anchor Shares.

Anchor's external risks may include, but are not limited to:

- the risk of downturns in the economies in which Anchor operates;
- the risk of changes in interest rates, employment rates, inflation, consumer spending and government policy which may impact sales and operating profits;
- the risk of adverse changes in the competitive environment; and
- foreign exchange risk.

Anchor's internal risks may include, but are not limited to:

- the risk of material adverse changes in the government policies or legislation of Australia affecting the level of mining and exploration activities;
  - poor weather conditions over a prolonged period which might adversely affect mining and exploration activities and the timing of earning revenues; and
  - risks associated with the cost of maintaining exploration and mining properties which depends on Anchor having access to sufficient development capital.
- **You will not incur any stamp duty and may not incur brokerage charges**

You will not be obliged to pay stamp duty if you accept the Offer.

If your Anchor Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Sunstar Capital, you will not incur any brokerage charges. If your Anchor Shares are registered in a CHESS Holding, you should ask your Controlling Participant (typically your broker) whether it will charge any transactional fees or service charges in connection with the Offer.



You may incur brokerage costs and GST on those costs if you choose to sell your Anchor Shares on ASX.

- **The Offer is the only offer available for all your Anchor Shares**

The Offer is the only offer available for all of your Anchor Shares as at the date of this Bidder's Statement. Neither Jinshunda nor Sunstar Capital is aware of any other party intending to make a superior offer for your Anchor Shares.

## SUMMARY OF THE OFFER

<b>Offer</b>	Sunstar Capital is offering to buy all your Anchor Shares for \$0.28 per Anchor Share in cash on the terms set out in this Bidder's Statement.
<b>Shares to which the Offer relates</b>	<p>The Offer is made in respect of Anchor Shares that exist or will exist on the Record Date and any Anchor Shares that are issued during the period from the Record Date to the end of the Offer Period due to the exercise of Anchor Options.</p> <p>Sunstar Capital will make a separate offer to all holders of Anchor Options which are not exercised before the Closing Date if, at the end of the Offer Period (or in the case of the condition in section 8.7(9), within 3 business days after the end of the Offer Period), the conditions in section 8.7 have been fulfilled or Sunstar Capital has declared the Offer (or it has become) free from those conditions. Please refer to section 3.3 for further details.</p>
<b>Opening date of the Offer</b>	THE OFFER OPENS ON 22 FEBRUARY
<b>Close of the Offer</b>	Unless the Offer is extended, acceptances for the Offer close at 7.00pm (Sydney time) on 23 March 2011.
<b>Expected date of payment of cash to Shareholders who accept the Offer</b>	If you accept the Offer you will receive payment for your Anchor Shares 1 month after the later of the date you accept and the date the Offer becomes, or is declared, unconditional and, in any event, no later than 21 days after the Closing Date.
<b>Brokerage and stamp duty</b>	<p>If your Anchor Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Sunstar Capital, you will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer.</p> <p>If your Anchor Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Anchor Shares are registered in the name of a broker, bank, custodian or other nominee, you will not be obliged to pay stamp duty by accepting the Offer, but you should ask your Controlling Participant (typically your broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.</p>
<b>Conditions</b>	<p>The Offer is subject to the following conditions:</p> <ul style="list-style-type: none"> <li>• a minimum acceptance condition of 50%;</li> <li>• no material adverse change affecting Anchor or its subsidiaries;</li> <li>• the grant of all necessary approvals or consents that are required by law, or by any Public Authority, including FIRB and PRC Regulatory Authorities; and</li> <li>• a number of other conditions set out in the Offer.</li> </ul> <p>Full terms of the conditions are set out in section 8.7.</p>

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Sunstar Capital may choose to waive any of these conditions (except the Regulatory Approvals Condition) in accordance with the Offer.

If the conditions of the Offer are not satisfied or waived by the Closing Date, the Offer will lapse.

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**How to accept the Offer**

**If your Anchor Shares are registered in an Issuer Sponsored Holding in your name:**

Return a completed and signed Acceptance Form to the address indicated in the form before the Offer closes.

**If your Anchor Shares are registered in a CHESS Holding:**

Either:

- Return a completed and signed Acceptance Form to the address indicated in the form; or
- instruct your Controlling Participant (typically your broker) to accept the Offer on your behalf,

before the Offer closes.

**If you are a Broker or a Non-Broker Participant:**

Initiate acceptance of the Offer in accordance with Rule 14.14 of the ASTC Settlement Rules before the Offer closes.

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**Contacts**

**Share Registry for the Offer**

Link Market Services Limited  
Level 1, 333 Collins Street  
Melbourne VIC 3000

**Sunstar Capital Offer Information Line\***

1300 794 682 (local call charges apply) from within Australia; or  
+61 2 8280 7751 (normal call charges apply) from outside Australia.

\*Calls to these telephone numbers may be recorded.

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## **1. JINSHUNDA and SUNSTAR CAPITAL**

### **1.1 Overview of Jinshunda**

Jinshunda is a private company incorporated in the People's Republic of China. Headquartered in Zibo City Shandong Province, the group employs approximately 5,400 full time employees and, as at 31 December 2010, had total consolidated assets of approximately \$723 million with net assets of approximately \$450 million (in each case, based on an AUD : RMB exchange rate of 1 AUD : 6.6 RMB). Since Jinshunda's incorporation in 1972, it has experienced strong growth and has established a well diversified business portfolio, including mining, metallurgical processing, bio-technology and real estate development.

### **1.2 Overview of Sunstar Capital**

Sunstar Capital is a wholly owned subsidiary of Jinshunda. Sunstar Capital was incorporated in Australia on 20 December 2010 for the purposes of making the Offer and has not undertaken any business other than activities associated with making the Offer.

### **1.3 Directors and key personnel**

The directors and key personnel of Jinshunda and Sunstar Capital, and a brief profile of each of them is set out below:

#### **(1) Jinshunda**

- **Mr. Wang Gan – Chairman and CEO**

Mr. Wang is the founder, Chairman and CEO of Jinshunda Group. He has over 20 years of experience in the mining, metallurgical and real estate industries. As a qualified economist recognised by the Shandong Provincial Economics Professional Qualification Assessment Committee, Mr Wang has a comprehensive understanding of society, economics and politics in China. He was named 'Star Entrepreneur' in 2007 by Linzi Municipal Government and is the recipient of numerous awards from local and provincial governments.

- **Mr. Lu Qiliang – Director and Vice General Manager**

During the past 30 years, Mr. Lu has held senior administration positions in various state and private entities throughout China. He joined the Jinshunda Group in 1993 and is now primarily responsible for the daily administrative management of Jinshunda Group.

- **Mr. Wang Yuan – Director and Vice General Manager**

Mr. Wang has extensive experience in financing and accounting and has a comprehensive knowledge of Chinese accounting rules and corporate finance practices. As a qualified accountant recognised by the Shandong Provincial Finance Bureau, he is the head of Jinshunda's finance department.

- **Mr. Song Wenshan – Director and Vice General Manager**

Mr. Song is the Vice General Manager of the Jinshunda Group and the General Manager of Jinshunda's bio-science division. He has extensive experience in business administration and a deep understanding of the bio-technology market. Mr. Song is also a qualified economist recognised by the Shandong Provincial Economics Professional Qualification Assessment Committee.

- **Mr. Zheng Fadong – Director and Vice General Manager**

Mr. Zheng has extensive experience in the iron ore industry and has worked on a number of mining projects in China. He is primarily responsible for Jinshunda's iron ore operations and assessing new domestic and international mining projects.

- **Mr. Wang Jianguang – Head of International Business Division**

Mr Wang has 8 years experience in the mining and iron-making industry in China. Benefiting from his extensive working and studying both in China and abroad, Mr Wang has gained a unique perspective into the economics and politics of both China and Australia. This expertise has become increasingly critical for advising on and facilitating business negotiations with international counterparties.

Mr. Wang holds a bachelor's degree in Economics and Law.

- **Mr. Wang Haolin – Vice President of Oceania Division**

Mr. Wang has a mixture of mining, business administration and accounting experience. With a deep understanding of the mining industry in China and Australia, he is primarily responsible for identifying and developing prospective projects in the Oceania Region.

Mr. Wang holds a Masters of Business Administration.

(2) **Sunstar Capital**

- **Mr. Wang Jianguang – Director**

Please refer to Mr. Wang's profile above.

- **Mr. Jiayi Yu – Director**

Mr. Yu has extensive experience in the areas of finance, Mergers & Acquisitions and capital markets. He previously worked for an international law firm where he advised a number of Chinese companies in relation to various investments in Australia. Mr. Yu is qualified to practice as a lawyer in China, the United States of America and Australia.

Mr. Yu holds bachelor's degrees in Commerce and Law and a Masters of Law.

#### 1.4 **History, structure and ownership of Jinshunda**

Jinshunda was established in 1972 and became a limited liability company following a restructure in 2002. Today, Jinshunda is a privately held company which is 100% owned by PRC nationals. The company has no state or foreign government ownership.

Jinshunda commenced business operations as an iron ore mining company and successfully developed an iron ore mining and production facility in Zibo City, Shandong Province, PRC. Jinshunda continues to operate the facility which currently has an annual production capacity of approximately 500,000 tonnes of iron ore concentrate. Jinshunda's experience in mineral exploration, mine development and commercial mine production resulted in the company recently acquiring an additional iron ore mining project in its exploration phase located in Inner Mongolia, PRC.

Jinshunda's development and operation of these projects demonstrates its capabilities in respect of each stage of the mine development and operation proves. Further, the success of Jinshunda's mining operations has enable Jinshunda to expand its core business offerings into a range of high-tech and high-growth areas such as bio-technology, piping manufacturing and real estate development.

#### 1.5 **Financial strength**

Jinshunda held cash reserves of approximately \$94.5 million and consolidated total assets of approximately \$585 million as at 31 December 2009 (based on an AUD : RMB exchange rate of 1 AUD : 6.6 RMB). Whilst financial statements for Jinshunda as at 31 December 2010 are not yet available, Jinshunda's cash reserves increased during the 2010 year and, as at 31 December 2010, it had total consolidated assets of approximately \$723 million with net assets of approximately \$450 million (in each case, based on an AUD : RMB exchange rate of 1 AUD : 6.6 RMB).

Importantly, Jinshunda's cash reserves are more than sufficient to fund the consideration payable by Sunstar Capital under the Offer, which will be approximately \$14 million assuming acceptance of all Offers. Please refer to section 4 for further details.



## **2. ANCHOR RESOURCES LIMITED**

### **2.1 Overview of Anchor**

Anchor is a Sydney-based mineral explorer that has been undertaking exploration activities since 2007. Anchor was listed on the ASX in July 2007. It currently owns 8 prospective projects in NSW and QLD, each of which are at different stages of exploration. Preliminary geological work indicates the possibility of mineral reserves existing at these project sites including gold, antimony, copper, uranium and other base metals. All 8 projects are 100% owned by Anchor and none of them has reached, or are close to reaching, commercial production.

### **2.2 Directors**

As at the date of this Bidder's Statement, the directors of Anchor are as follows:

John Anderson	Non-Executive Chairman
Trevor Woolfe	Managing Director
Grant Craighead	Executive Director
Gary Fallon	Non-Executive Director

### **2.3 Publicly Available Information**

Anchor is listed on ASX and is obliged to comply with the listing rules of ASX. The ASX listing rules require continuous disclosure of any information Anchor has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities (subject to a number of exceptions). Anchor's annual report for the year ended 30 June 2010 was lodged with ASIC and given to ASX on 14 October 2010.

On 20 December 2010 Anchor made an announcement in relation to the Offer. A copy of the announcement is attached as Annexure A, together with a list of all announcements made by Anchor since 30 June 2010.

ASX maintains files containing publicly disclosed information about all listed companies. Anchor's file is available for inspection at the ASX during normal business hours or on the ASX's website at [www.asx.com.au](http://www.asx.com.au) (Anchor ASX code: AHR).

In addition, Anchor is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Anchor may be obtained from, or inspected at, an ASIC office.

Further publicly available information about Anchor is available on Anchor's website at [www.anchorresources.com](http://www.anchorresources.com).

### 3. ANCHOR SECURITIES

#### 3.1 Anchor securities on issue

According to documents provided by Anchor to ASX, as at the date of this Bidder's Statement, Anchor has the following securities on issue:

- 50,105,296 Anchor Shares; and
- 2,850,000 Anchor Options.

#### 3.2 Anchor Shares

The Anchor Shares are quoted on ASX and are freely transferable.

As at the date immediately before the first Offer is sent, Jinshunda, Sunstar Capital and their Associates had a relevant interest in 1,749,363 Anchor Shares, giving them voting power of approximately 3.49%. Further details in respect of Jinshunda's, Sunstar Capital's and their Associates' dealings in Anchor securities are set out below.

#### 3.3 Anchor Options

The Anchor Options are not quoted on ASX. Each Anchor Option entitles the holder to be issued one Anchor Share on exercise of each Anchor Option. So far as known to Sunstar Capital, the exercise prices and expiry dates for Anchor Options on issue as at the date of this Bidder's Statement are as follows:

Exercise Price	Expiry Date	Number of Anchor Options
\$0.25	6 March 2011	1,000,000
\$0.18	14 March 2013	325,000
\$0.07	13 march 2014	125,000
\$0.25	27 September 2014	1,400,000
<b>Total</b>		<b>2,850,000</b>

As at the date of this Bidder's Statement and the date immediately before the first Offer is sent, Jinshunda and Sunstar Capital do not have an interest in any Anchor Options.

Sunstar Capital will make a separate offer to all holders of Anchor Options which are not exercised before the Closing Date if, at the end of the Offer Period (or in the case of the condition in section 8.7(9), within 3 business days after the end of the Offer Period), the conditions in section 8.7 have been fulfilled or Sunstar Capital has declared the Offer (or it has become) free from those conditions. The price at which these offers will be made will be the difference between the exercise price of the respective Anchor Options and the Offer Price. Offers to acquire Anchor Options will be sent separately to the holders of Anchor Options.

If any of the Anchor Options are not transferable, Sunstar Capital will, subject to any approvals and modifications required by the Corporations Act and the Listing Rules being obtained, seek to have the Anchor Options cancelled for the payment of a cancellation fee.

If Sunstar Capital becomes entitled to compulsorily acquire all of the Anchor Options in accordance with the Corporations Act, Sunstar Capital intends to proceed with compulsory acquisition of all of the Anchor Options.

The Offer extends to any Anchor Shares issued upon exercise of Anchor Options during the period from the Record Date to the end of the Offer Period.

**3.4 Acquisitions of Anchor Shares by Jinshunda, Sunstar Capital and their Associates**

The consideration paid by Jinshunda, Sunstar Capital and their Associates for acquisitions of Anchor Shares during the period of 4 months ending on the day immediately before the date of this Bidder's Statement and the date on which the first of the Offers was sent to Anchor shareholders is set out in Annexure B. During this period neither Jinshunda, Sunstar Capital nor any of their Associates has disposed of any Anchor Shares.

Neither Jinshunda, Sunstar Capital nor any of their Associates has provided, or agreed to provide consideration for Anchor Shares or Anchor Options under any agreement or purchase in the 4 months ending on the day immediately before the date of this Bidder's Statement and the date on which the first of the Offers was sent to Anchor shareholders except as set out in this Bidder's Statement.

**3.5 Highest Price Paid for Anchor Shares by Jinshunda, Sunstar Capital and their Associates**

The highest price paid in the last 4 months ending on the day immediately before the date of this Bidder's Statement by Jinshunda, Sunstar Capital or their Associates for an Anchor Share was 27.5 cents.

**3.6 Escalation Agreements**

Neither Jinshunda, Sunstar Capital nor any of their Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

**3.7 Collateral Benefits**

During the 4 months before the date of this Bidder's Statement, neither Jinshunda, Sunstar Capital nor any of their Associates gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (1) accept the Offer; or
- (2) dispose of Anchor Shares,

and which is not offered to all Anchor's shareholders under the Offer.

## **4. SOURCES OF CONSIDERATION**

### **4.1 Total cash consideration**

The consideration for the acquisition of the Anchor Shares and Anchor Options (or their cancellation, if they are not transferable) will be satisfied by the payment of cash.

The maximum amount of cash consideration which would be payable by Sunstar Capital under the Offer if acceptances for all the Anchor Shares existing at the date of this Bidder's Statement are received, is approximately \$14 million.

If, during the Offer Period, all of the Anchor Options are exercised and the Offers in respect of the Anchor Shares issued on exercise of the Anchor Options are accepted, additional consideration of approximately \$800,000 will be payable by Sunstar Capital. This would increase the total cash amount payable under the Offers to approximately \$14.8 million. However, this increase would be offset by approximately \$667,000 paid to Anchor by the Anchor Option holders upon the exercise of the Anchor Options.

### **4.2 Source of cash consideration**

Sunstar Capital intends to satisfy its obligations in respect of the payment of cash consideration under the Offer from existing cash reserves held by Jinshunda. In this regard, Jinshunda holds cash reserves of in excess of \$94.5 million (based on an AUD : RMB exchange rate of 1 AUD : 6.6 RMB) with reputable and well established banking and finance institutions in PRC including Bank of China, Agriculture Bank of China and Shandong Bank. These cash reserves exceed the maximum cash consideration payable under the Offer.

Sunstar Capital has entered into an agreement with Jinshunda under which Jinshunda has unconditionally and irrevocably agreed to provide Sunstar Capital with all amounts Sunstar Capital requires to make payment pursuant to the Offer as and when those payments are due to be made. The money will be provided in whatever form and manner Sunstar Capital requires.

Jinshunda is in the process of obtaining approvals from the National Development and Reform Commission of PRC (Shandong Provincial level) (**NDRC**), the Ministry of Commerce of PRC (Shandong Provincial level) (**MOFCOM**) and the State Administration of Foreign Exchange (Shandong Provincial level) (**SAFE**) to transfer funds from PRC to Australia to satisfy the payment of acceptances received under the Offer. Please refer to section 7.5 for further details.

## **5. INTENTIONS IN RELATION TO ANCHOR**

### **5.1 Introduction**

This section sets out Sunstar Capital's intentions, based on the information concerning Anchor and its assets, operations, prospects and plans for the future known to Sunstar Capital at the time of preparation of this Bidder's Statement in relation to the following matters:

- the continuation of the business of Anchor;
- any major changes to be made to the business of Anchor, including any redeployment of fixed assets of Anchor; and
- the future employment of present employees of Anchor.

Sunstar Capital has the same knowledge of Anchor and its assets, operations, prospects and plans for the future as Jinshunda, and the same intentions as Jinshunda in relation to these matters.

### **5.2 Review**

Sunstar Capital has reviewed information that is publicly available in respect of Anchor and its assets, operations and prospects, and plans for the future. Sunstar Capital may not currently have knowledge of all facts and circumstances relevant to assessing whether its intentions should be altered in any respect.

Following the close of the Offer, Sunstar Capital will conduct a review of Anchor having regard to any additional information that becomes available to it and any changes to current facts and circumstances. Sunstar Capital will only make final decisions on the matters referred to above in light of the material information available to it and circumstances at the relevant time. The statements set out in this section 5 are therefore statements of current intention only, which may vary as new information becomes available or circumstances change.

### **5.3 Intentions on acquisition of 90% or more of Anchor Shares**

This section sets out Sunstar Capital's current intentions if it acquires a relevant interest in 90% or more of Anchor Shares and is entitled to proceed to compulsory acquisition of the outstanding Anchor Shares in accordance with Chapter 6A of the Corporations Act.

#### **(1) Compulsory acquisition**

If it becomes entitled to under the Corporations Act, Sunstar Capital intends to:

- give notices to compulsorily acquire any outstanding Anchor Shares in accordance with section 661B of the Corporations Act; and
- if appropriate once further details of the Anchor Options are available to Sunstar Capital, give notices to holders of Anchor Options to compulsorily acquire any outstanding Anchor Options in accordance with section 664C of the Corporations Act.

If it is required to do so under the Corporations Act, Sunstar Capital intends to give notices to holders of Anchor Shares and Anchor Options offering to acquire their Anchor Shares and Anchor Options in accordance with sections 662B and 663C of the Corporations Act.

(2) **ASX listing**

Sunstar Capital intends to procure that Anchor is removed from the official list of ASX.

(3) **Directors**

Whilst Sunstar Capital is supportive of Anchor's executive team and has no current intentions to substantially change the team, Sunstar Capital intends to review the positions of all directors and appoint some nominee directors of its own. The nominee directors have not yet been identified by Sunstar Capital and their identity will depend upon the relevant circumstances at the time.

(4) **Head office**

Sunstar Capital intends to retain Anchor's current Head Office located at Suite 505, 35 Lime Street, Sydney, New South Wales, Australia 2000.

(5) **Employees**

Based on publicly available information, none of Anchor's key management personnel are employees, and their services are provided to Anchor in all cases under Service Agreements with other entities. Sunstar Capital intends to review the terms of each of these Service Agreements to determine whether it is appropriate that they be continued.

Sunstar Capital is not aware whether any other personnel of Anchor are employees. If there are any employees, Sunstar Capital will review their position and role and the terms of their employment. As a result of the review some Anchor employees may be made redundant, in which case an appropriate redundancy package would be made available to any relevant employees. However, Sunstar Capital will not be in a position to determine the full nature, timing, extent or incidence of any such redundancies until it has completed its review.

(6) **Operations**

As indicated above, Sunstar Capital intends to conduct a review of the business, assets and operations of Anchor following close of the Offer. The review may or may not lead to changes in the business, assets or operations of Anchor.

Subject to the review, Sunstar Capital intends to continue and accelerate the development of Anchor's projects. In particular and subject to that review, Sunstar Capital intends to continue with Anchor's current proposals for advancement of the Bielsdown project to prefeasibility, and then to mine development and production as soon as practicable, Sunstar Capital has no current intentions to make any major change to the business of Anchor or redeploying of its fixed assets.

Subject to the results of the SRK Consulting (Australasia) Pty Ltd scoping study in respect of the Bielsdown project and other current and future exploration and reviews of the Bielsdown project and Anchor's other prospective projects, Sunstar Capital will provide or support the provision of additional capital for mine development and, ultimately, operational expenses. Sunstar Capital will assess how best to provide or obtain the required capital as information becomes available.

Jinshunda has considerable financial strength (see sections 1.4 and 4.2) and expertise in mine development (see section 1.4) which will be made available to Anchor.



## 5.4 Intentions on acquisition of less than 90% but at least 50% of Anchor Shares

This section sets out Sunstar Capital's intentions if Sunstar Capital were to obtain effective control of Anchor but is not entitled to compulsorily acquire the outstanding Anchor Shares.

### (1) ASX listing

Sunstar Capital intends to retain Anchor's ASX listing, provided there is an adequate spread of shareholders and liquidity in Anchor Shares. If that was not the case, Sunstar Capital would consider taking further actions following the Offer as may be permitted by law and the ASX Listing Rules.

### (2) Directors

Whilst Sunstar Capital is supportive of Anchor's executive team and has no current intentions to substantially change the team, Sunstar Capital intends to procure the appointment of some nominee directors of its own. The nominee directors have not yet been identified by Sunstar Capital and their identity will depend upon the relevant circumstances at the time. Sunstar Capital intends to review the positions of the current directors.

### (3) Head office

Sunstar Capital intends to retain Anchor's current Head Office located at Suite 505, 35 Lime Street, Sydney, New South Wales, Australia 2000.

### (4) Employees

Sunstar Capital intends to proceed as set out in section 5.3(5).

### (5) Operations

As indicated above, Sunstar Capital intends to conduct a review of the business, assets and operations of Anchor following close of the Offer. The review may or may not lead to changes in the business, assets or operations of Anchor.

Subject to the review, Sunstar Capital intends to continue and accelerate the development of Anchor's projects irrespective of the level of ownership it holds on completion of the Offers, as referred to in section 5.3(6).

### (6) Dividend policy

Sunstar Capital is not likely to review Anchor's dividend policy. It is not likely that dividends would be payable on Anchor Shares until the completion of mine development and the commencement of production at one or more of Anchor's projects, and the required timeframes for these events are unknown. It should be assumed that dividends will not be paid on Anchor Shares in the foreseeable future.

### (7) Limitations on intentions

To the extent that Anchor does not become a wholly owned subsidiary of Sunstar Capital and there are minority shareholders in Anchor, Sunstar Capital intends that its nominee directors will act at all times in accordance with their fiduciary duties, and that all requisite shareholder approvals are obtained and all other legal requirements are complied with in pursuing any of the intentions outlined above. Those requirements may require the approval of minority shareholders in Anchor to the implementation of any particular objective, or may prevent the particular objective being achieved.

## **5.5 Intentions on acquisition of less than 50% of Anchor Shares**

Sunstar Capital reserves its right to declare the Offer free from the 50% minimum acceptance condition (and any other conditions). If Sunstar Capital does waive this condition and acquires less than 50% of Anchor Shares, Sunstar Capital intends to seek the appointment of a number of its nominees as directors of Anchor (and to requisition a meeting of Anchor for that purpose if necessary) and gain a more detailed understanding of all the assets and operations of Anchor to evaluate the performance, profitability and prospects of Anchor and will endeavour to implement its intentions as outlined in section 5.4 to the extent it is able to do so.

## **6. TAXATION CONSIDERATIONS**

### **6.1 Introduction**

The information in this section is intended to provide a general overview of the Australian income and capital gains tax implications for Australian residents who accept the Offer.

This summary is not intended to be comprehensive and is based upon Sunstar Capital's interpretation of Australian income tax legislation currently in force at the date of this Bidder's Statement. Anchor shareholders should not rely on the information in this section as advice in relation to their own affairs. The taxation laws are complex and there could be implications in additions to those described in this section. Anchor shareholders should seek independent professional advice in relation to their own particular circumstances.

The information in this section does not apply to Anchor shareholders who have received their Anchor Shares in their capacity as employees of Anchor. Employee shareholders should also obtain their own independent advice.

This summary does not apply to Anchor Options.

### **6.2 Anchor Shares held as a capital investment**

Anchor shareholders who accept the Offer will dispose of their Anchor Shares by way of transfer to Sunstar Capital. This disposal will constitute a capital gains tax event for Australian capital gains tax purposes.

Anchor shareholders whose cost base for the acquisition of their Anchor Shares is less than the Offer Price, will make a capital gain on the disposal of their Anchor Shares to Sunstar Capital. The cost base will generally be the cost of acquisition of the Anchor Shares.

If an individual makes a capital gain from the disposal of their Anchor Shares which have been held for at least 12 months before disposal, the individual will be taxed on only 50% of the gain. If the Anchor Shares have been held for less than 12 months, the individual will be taxed on 100% of the gain.

If a trustee of a superannuation fund makes a capital gain from the disposal of Anchor Shares which have been held for at least 12 months before disposal, the trustee will be taxed on only  $\frac{1}{3}$  of the gain.

Anchor shareholders whose cost base of acquiring their Anchor Shares is greater than the Offer Price will make a capital loss if they accept the Offer. In calculating the capital loss, the reduced cost base is not indexed for inflation irrespective of how long the Anchor Shares have been held.

Capital losses may be offset against capital gains arising in the same year of income to determine the net capital gain. Any net capital gain is included in the Anchor shareholder's assessable income and is subject to income tax. Capital losses may not be offset against other income for income tax purposes, but may be carried forward to offset against future capital gains.

### **6.3 Anchor Shares held as revenue assets**

Australian resident shareholders may be subject to the general income tax provisions (rather than the capital gains tax provisions) in respect of the profit or loss made from the disposal of their Anchor Shares to Sunstar Capital in some circumstances. For example, this will occur if an Anchor shareholder is in the business of trading in securities or their

Anchor Shares were acquired with a dominant purpose of making a profit from a subsequent sale.

In these circumstances, a taxable gain will arise if the Offer Price exceeds an Anchor shareholder's cost of acquiring its Anchor Shares. A loss will arise if the Offer Price is less than the price paid for the Anchor Shares by the Anchor shareholder. This loss may be offset against profits or capital gains made by the Anchor shareholder.

#### **6.4 Non-resident shareholders**

Anchor shareholder who are not resident in Australia for income tax purposes will not generally be subject to Australian income tax on the disposal of Anchor Shares if, together with their Associates, they have not held 10% or more of the issued Anchor Shares at the time of disposal or for any continuous 12 month period within 2 years preceding the disposal.

#### **6.5 GST**

The disposal of Anchor Shares should not be subject to GST.

#### **6.6 Stamp Duty**

Any stamp duty payable on the transfer of Anchor Shares to Sunstar Capital pursuant to the Offer will be paid by Sunstar Capital.

## **7. OTHER MATERIAL INFORMATION**

### **7.1 Introduction**

Except as set out in this Bidder's Statement, there is no other information that is material to the making of the decision by a holder of Anchor Shares whether or not to accept the Offer, which is known to Sunstar Capital or Jinshunda and has not been previously disclosed to Anchor shareholders.

### **7.2 Status of conditions**

The Offer is subject to the conditions set out in section 8.7.

As at the date of this Bidder's Statement, Sunstar Capital is not aware of any events or circumstances which would result in the non-fulfilment of any of the conditions.

### **7.3 ASIC modifications to and exemptions from the Corporations Act**

Sunstar Capital has not obtained from ASIC any modifications to or exemptions from the Corporations Act to facilitate the Offer. Sunstar Capital may however rely on various "Class Order" instruments published by ASIC which provide for certain modifications and exemptions that apply generally to all bidders, including Sunstar Capital.

### **7.4 Foreign Investment Review Board**

On 11 January 2011, Sunstar Capital lodged a statutory notice under section 26A of the *Foreign Acquisitions and Takeovers Act 1975* with the FIRB regarding Sunstar's intention to acquire up to 100% of Anchor Shares under the Offer.

Jinshunda is confident that the transaction is consistent with the Australian Government's foreign investment policy and anticipates that a statement of no objection will be issued in due course.

Anchor has a market capitalisation of approximately \$14 million at the Offer Price of \$0.28 per Anchor Share and the value of Anchor and its wholly owned subsidiary's tenements is likely to exceed 50% of the value of its total consolidated assets.

As set out in section 8.7(2), completion of the Offer and any contract that results from an acceptance of the Offer is subject to the Treasurer of the Commonwealth of Australia ceasing to have the power under section 21A of the *Foreign Acquisitions and Takeovers Act 1975* (Cth) to make an order prohibiting the acquisition by Sunstar Capital of Anchor Shares.

### **7.5 PRC Regulatory Approvals**

Jinshunda requires approvals from the National Development and Reform Commission of the PRC (Shandong Provincial level) (**NDRC**), the Ministry of Commerce of the PRC (Shandong Provincial level) (**MOFCOM**) and the State Administration of Foreign Exchange of the PRC (Shandong Provincial level) (**SAFE**) to invest in Anchor and to transfer funds from PRC to Australia to satisfy the payment of acceptances received under the Offer.

These approvals are generally obtained sequentially beginning with an application for approval from NDRC.

Jinshunda is confident of obtaining all PRC Regulatory Approvals prior to the end of the Offer Period as the Offer is consistent with all applicable PRC laws and policies.

## **NDRC**

The National Development and Reform Commission is PRC's macro-economic management agency which studies and formulates policies for economic and social development, maintains a balance of economic aggregates and guides the overall economic system restructuring.

## **MOFCOM**

The Ministry of Commerce is charged with the functions of managing domestic and international trade and internal economic cooperation.

## **SAFE**

The State Administration of Foreign Exchange is a statutory body established under PRC law which manages foreign exchange affairs in respect of transferring, trading and borrowing of foreign currencies. It also monitors the foreign exchange rate and foreign exchange markets in PRC.

### **7.6 Potential waiver of conditions**

Under the terms of the Offer and the Corporations Act, any or all of the conditions set out in section 8.7 may be waived by Sunstar Capital, other than the Regulatory Approvals Condition, which Sunstar Capital cannot waive.

If any event occurs which results (or would result) in the non-fulfilment of a condition which is capable of being waived, Sunstar Capital might not make a decision as to whether it will either rely on that occurrence, or instead waive the condition in respect of that occurrence, until the date for giving notice as to the status of the conditions of the Offer under section 630(3) of the Corporations Act (see section 8.10). If Sunstar Capital decides that it will waive a condition it will announce that decision to ASX in accordance with section 650F of the Corporations Act.

If any of the conditions are not fulfilled, and either the condition cannot be waived, or Sunstar Capital decides to rely on that non-fulfilment, then any contract resulting from acceptances of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and Sunstar Capital will not acquire any Anchor Shares under the Offer.

### **7.7 Date for determining holders of Anchor Shares**

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) of the Corporations Act is the Record Date.

### **7.8 Consents**

This Bidder's Statement includes statements made by or based on statements made by Jinshunda including the letter from Jinshunda's Chairman on pages 4 and 5 and Jinshunda's intentions for Anchor in section 5. Jinshunda has consented to the inclusion of the statements it has made in the form and context in which they are included and, as at the date of this Bidder's Statement, has not withdrawn its consent, but should not be regarded as authorising the issue of this Bidder's Statement or any statement in it.

Each of Norton Rose Australia and Link Market Services Limited has consented to being named in this Bidder's Statement in the form and context in which it is named and has not withdrawn its consent as at the date of this Bidder's Statement, but should not be regarded as authorising the issue of this Bidder's Statement or any statement in it.

In addition, this Bidder's Statement contains statements made or based on statements made in documents lodged with ASIC or ASX. The terms of ASIC Class Order 01/1543



allow such statements to be included without the consent of the parties who made them. Anchor shareholders may obtain copies of these documents (free of charge) during the Offer Period by calling the Sunstar Capital Offer Information Line on 1300 794 682 (local call charges apply) from within Australia or +61 2 8280 7751 (normal charges apply) from outside Australia.

Anchor shareholders should note that the directors of Sunstar Capital and Jinshunda have assumed, for the purposes of preparing this Bidder's Statement, that the information contained in the documents lodged with ASIC or ASX is accurate. However, the directors do not take any responsibility for the content of these documents and are not to be taken as endorsing, in any way, any or all statements contained in such documents, except to the extent required by law.

## **8. TERMS AND CONDITIONS OF THE OFFER**

### **8.1 Offer**

Sunstar Capital offers to acquire all of your Anchor Shares on and subject to the terms and conditions set out in this section 8.

The consideration under the Offer is \$0.28 cash per Anchor Share.

By accepting this Offer, you undertake to transfer to Sunstar Capital not only the Anchor Shares to which the Offer relates, but also all Rights attached to those Shares.

This Offer is being made to each person registered as the holder of Anchor Shares in the register of Anchor shareholders at 7:00pm (Sydney time) on the Record Date. It also extends to:

- (1) holders of securities that come to be Anchor Shares (including Anchor Shares issued on exercise of an Anchor Option) during the period from the Record Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, such securities and which are on issue as at the Record Date; and
- (2) any person who becomes registered as the holder of your Anchor Shares during the Offer Period.

If, at the time the Offer is made to you, or at any time during the Offer Period, another person is registered as the holder of some or all of the Anchor Shares to which this Offer relates:

- (1) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Anchor Shares;
- (2) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Shares you hold to which the Offer relates; and
- (3) this Offer will be deemed to have been withdrawn immediately at that time.

If at any time during the Offer Period you are registered as the holder of one or more parcels of Anchor Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct Offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any distinct parcel you hold in your own right. To validly accept the Offer for each distinct parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call the Sunstar Capital Offer Information Line on 1300 794 682 (local call charges apply) from within Australia or +61 2 8280 7751 (normal charges apply) from outside Australia.

If your Anchor Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee, you should contact that nominee for assistance in accepting the Offer.

The Offer is dated 22 February 2011.

## 8.2 Offer Period

Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7:00pm (Sydney time) on the later of:

- (1) 23 March 2011; or
- (2) any date to which the Offer Period is extended.

Sunstar Capital reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.

If, within the last 7 days of the Offer Period, either of the following events occur:

- (1) the Offer is varied to improve the consideration offered; or
- (2) Sunstar Capital's voting power in Anchor increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

## 8.3 How to accept this Offer

### (1) General

- (a) Subject to section 8.1, paragraphs 5 and 6, you may only accept this Offer for all of your Anchor Shares.
- (b) You may accept this Offer at any time during the Offer Period.

### (2) Anchor Shares held in your name in an Issuer Sponsored Holding

To accept this Offer for Anchor Shares held in your name in an Issuer Sponsored Holding (in which case your Securityholder Reference Number will commence with 'I'), you must:

- (a) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (b) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at the address shown on the Acceptance Form.

### (3) Shares held in your name in a CHESS Holding

If your Anchor Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you should instruct your Controlling Participant (for Anchor shareholders who are not institutions this is normally the stockbroker through whom you bought your Anchor Shares or ordinarily acquire shares on ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASTC Settlement Rules before the end of the Offer Period.

If your Anchor Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Offer in accordance with rule 14.14 of the ASTC Settlement Rules before the end of the Offer Period.

Alternatively, to accept this Offer for Anchor Shares held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X'), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at the address shown on the Acceptance Form.

If your Anchor Shares are held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with any other applicable ASTC Settlement Rules.

**(4) Acceptance Form and other documents**

The Acceptance Form forms part of the Offer.

If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that it is posted or delivered in sufficient time for it to be received by Sunstar Capital at the address shown on the Acceptance Form before the end of the Offer Period.

When using the Acceptance Form to accept this Offer in respect of Anchor Shares in a CHES Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instructions on the Acceptance Form) are received by Sunstar Capital in time for Sunstar Capital to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASTC Settlement Rules before the end of the Offer Period.

The postage and transmission of the Acceptance Form and other documents are at your own risk.

**8.4 Validity of acceptances**

Subject to this section 8.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 8.3.

Sunstar Capital will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Sunstar Capital is not required to communicate with you prior to making this determination. The determination of Sunstar Capital will be final and binding on all parties.

Notwithstanding sections 8.3(2) and (3), Sunstar Capital may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of your Anchor Shares, even if a requirement for acceptance has not been complied with, but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Sunstar Capital.

Where you have satisfied the requirements for acceptance in respect of only some of your Anchor Shares, Sunstar Capital may, in its sole discretion, regard the Offer to be accepted in respect of those of your Anchor Shares but not the remainder.

Sunstar Capital will provide the consideration to you in accordance with section 8.6, in respect of any part of an acceptance determined by Sunstar Capital to be valid.

## 8.5 The effect of acceptance

Other than as detailed below, once you have accepted this Offer, you will be unable to revoke your acceptance. The contract resulting from your acceptance will be binding on you and you will be unable to withdraw your Anchor Shares from the Offer or otherwise dispose of your Anchor Shares, except as follows:

- (1) if this Offer terminates in accordance with section 8.9(2); or
- (2) if the Offer Period is extended for more than one month and the obligations of Sunstar Capital to pay the consideration are postponed for more than one month and, at the time, this Offer is subject to one or more of the conditions in section 8.7, you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act (which requires a notice to be sent to you at the time explaining your rights in this regard).

By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 8.3, you will be deemed to have:

- (1) accepted this Offer (and any variation of it) in respect of, and, subject to all of the conditions to this Offer in section 8.7 being fulfilled or freed, agreed to transfer to Sunstar Capital, all of your Anchor Shares (even if the number of Shares specified on the Acceptance Form differs from the number of your Anchor Shares) together with all Rights, subject to section 8.1, paragraphs 5 and 6;
- (2) represented and warranted to Sunstar Capital, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of your Anchor Shares (including any Rights) to Sunstar Capital is registered, all your Anchor Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in your Anchor Shares (including any Rights) to Sunstar Capital, and you have paid to Anchor all amounts which at the time of acceptance have fallen due for payment to Anchor in respect of your Anchor Shares;
- (3) irrevocably authorised Sunstar Capital (and any director, secretary or nominee of Sunstar Capital) to alter the Acceptance Form on your behalf by inserting correct details of your Anchor Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Sunstar Capital to make it an effective acceptance of this Offer or to enable registration of your Anchor Shares in the name of Sunstar Capital;
- (4) if you signed the Acceptance Form in respect of Shares which are held in a CHESS Holding, irrevocably authorised Sunstar Capital (or any director, secretary or agent of Sunstar Capital) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of your Anchor Shares in accordance with Rule 14.14 of the ASTC Settlement Rules;
- (5) if you signed the Acceptance Form in respect of Shares which are held in a CHESS Holding, irrevocably authorised Sunstar Capital (or any director, secretary or agent of Sunstar Capital) to give any other instructions in relation to your Anchor Shares to your Controlling Participant, as determined by Sunstar Capital acting in its own interests as a beneficial owner and intended registered holder of those Shares;
- (6) irrevocably authorised and directed Anchor to pay to Sunstar Capital, or to account to Sunstar Capital for, all Rights in respect of your Anchor Shares, subject, if this



Offer is withdrawn, to Sunstar Capital accounting to you for any such Rights received by Sunstar Capital;

- (7) irrevocably authorised Sunstar Capital to notify Anchor on your behalf that your place of address for the purpose of serving notices upon you in respect of your Anchor Shares is the address specified by Sunstar Capital in the notification;
- (8) with effect from the later of your acceptance of this Offer and the date on which all the conditions to this Offer set out in section 8.7 have been fulfilled or freed, irrevocably appointed Sunstar Capital (and any director, secretary or nominee of Sunstar Capital) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to your Anchor Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings of Anchor and to request Anchor to register, in the name of Sunstar Capital or its nominee, your Anchor Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable);
- (9) with effect from the later of your acceptance of this Offer and the date on which all the conditions to this Offer set out in section 8.7 have been fulfilled or freed, agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting of Anchor or to exercise or purport to exercise any of the powers and rights conferred on Sunstar Capital (and its directors, secretaries and nominees) in section 8.5(14);
- (10) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 8.5(14), the attorney will be entitled to act in the interests of Sunstar Capital as the beneficial owner and intended registered holder of your Anchor Shares;
- (11) agreed to do all such acts, matters and things that Sunstar Capital may require to give effect to the matters the subject of this section 8.5, paragraph 2 (including the execution of a written form of proxy to the same effect as this section 8.5, paragraph 2 which complies in all respects with the requirements of the constitution of Anchor) if requested by Sunstar Capital;
- (12) agreed to indemnify Sunstar Capital in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of your Anchor Shares to Sunstar Capital being registered by Anchor without production of your Holder Identification Number or your Securityholder Reference Number for your Anchor Shares;
- (13) represented and warranted to Sunstar Capital that, unless you have notified it in accordance with section 8.1, paragraph 6, your Anchor Shares do not consist of separate parcels of Anchor Shares;
- (14) with effect from the later of your acceptance of this Offer and the date on which all the conditions to this Offer in section 8.7 have been fulfilled or freed, irrevocably authorised Sunstar Capital (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASTC Settlement Rules to transfer your Anchor Shares to Sunstar Capital's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer; and
- (15) agreed, subject to the conditions of this Offer in section 8.7 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Sunstar Capital may consider necessary or desirable to convey your Anchor Shares registered in your name and Rights to Sunstar Capital.



The undertakings and authorities referred to in section 8.5, paragraph 2 will remain in force after you receive the consideration for your Anchor Shares and after Sunstar Capital becomes registered as the holder of your Anchor Shares.

## **8.6 Payment of consideration**

Subject to this section 8.6 and the Corporations Act, Sunstar Capital will provide the consideration due to you for your Anchor Shares on or before the earlier of:

- (1) one month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept this Offer, within one month after this Offer becomes unconditional; and
- (2) 21 days after the end of the Offer Period.

Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):

- (3) if that document is given with your Acceptance Form, Sunstar Capital will provide the consideration in accordance with the details set out above;
- (4) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, Sunstar Capital will provide the consideration due to you on or before the earlier of one month after this Offer becomes unconditional and 21 days after the end of the Offer Period;
- (5) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, Sunstar Capital will provide the consideration due to you on or before the earlier of one month after that document is given and 21 days after the end of this Offer period; or
- (6) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, Sunstar Capital will provide the consideration within 21 days after that document is delivered. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, Sunstar Capital will provide the consideration due to you within 21 days after the Offer becomes unconditional.

If you accept this Offer, Sunstar Capital is entitled to all Rights in respect of your Anchor Shares. Sunstar Capital may require you to provide all documents necessary to vest title to those Rights in Sunstar Capital, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Sunstar Capital, or if you have received the benefit of those Rights, Sunstar Capital will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Sunstar Capital) of those Rights, together with the value (as reasonably assessed by Sunstar Capital) of the franking credits, if any, attached to the Rights.

The consideration payable by Sunstar Capital to you under the Offer will be paid to you by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) at the address as shown on the register copy supplied by Anchor from time to time.

If at the time you accept the Offer any of the following:

- (7) *Banking (Foreign) Exchange Regulations 1959 (Cth);*
- (8) *Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);*
- (9) *Charter of the United Nations (Sanctions - Afghanistan) Regulations 2008 (Cth);*

- (10) *Charter of the United Nations (Sanctions - Iraq) Regulations 2008 (Cth)*; or
- (11) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for your Anchor Shares, or would make it unlawful for Sunstar Capital to provide any consideration to you for your Anchor Shares, you will not be entitled to receive any consideration for your Anchor Shares until all requisite authorities, clearances or approvals have been received by Sunstar Capital.

As far as Sunstar Capital is aware, as at the date of this Bidder's Statement, the persons to whom this will apply are:

- (12) prescribed supporters of the former government of Yugoslavia;
- (13) ministers and senior officials of the Government of Zimbabwe;
- (14) persons associated with the former government of Iraq (including senior officials, immediate family members of senior officials, or an entity controlled by any of those persons);
- (15) the Taliban;
- (16) members of the Al Qaida organisation; and
- (17) a person named in the list maintained pursuant to paragraph 2 of Resolution 1390 of the Security Council of the United Nations.

#### 8.7 **Conditions of this Offer**

Completion of this Offer and any contract that results from an acceptance of this Offer is subject to the fulfilment of the conditions set out below:

##### (1) **Minimum Acceptance**

During, or at the end of, the Offer Period, Jinshunda, Sunstar Capital and their Associates having a relevant interest in at least 50% of all of Anchor Shares.

##### (2) **Regulatory approvals**

Before the end of the Offer Period, all approvals or consents that are required by law, or by any Public Authority, including FIRB and PRC Regulatory Authorities, as are necessary to permit:

- (a) the Offers to be lawfully made to and accepted by Anchor shareholders;  
and
- (b) the transactions contemplated by the Offer to be completed,

are granted, given, made or obtained on an unconditional basis, remain in full force and effect in all respects, and do not become subject to any notice of intention to revoke, suspend, restrict, modify or not renew the same.

Such regulatory approvals include the Treasurer of the Commonwealth of Australia ceasing to have power under section 21A of the FATA to make an order prohibiting the acquisition by Sunstar Capital of Anchor Shares.

(3) **Conduct of business**

Neither Anchor nor any of its subsidiaries conducts its business other than in the ordinary course.

(4) **No material adverse change**

No matter, event, change, condition, circumstance or thing occurs, is announced or becomes known to Sunstar Capital or Jinshunda which, individually or when aggregated with all such events, occurrences or matters, could reasonably be expected to:

- (a) have an adverse effect on the consolidated assets or liabilities (including contingent liabilities as recognised in preparation of financial statements) of the Anchor Group based on the financial year ended 30 June 2010 exceeding \$315,000; or
- (b) have a material adverse effect on the consolidated net profit or loss of after tax of the Anchor Group;

other than:

- (c) matters that are required to be done in order to implement the Offer;
- (d) matters which took place with the prior written consent of Jinshunda; and
- (e) matters which Anchor fully and fairly disclosed in an announcement made to the ASX prior to the date of the Initial Announcement.

(5) **No material acquisitions or disposals**

That outside the ordinary course of business, or as otherwise agreed in writing between Jinshunda and Anchor, there is no:

- (a) purchase or other acquisition, sale or other disposal of, or offer or agreement to purchase, acquire, sell or dispose of, any property or assets (or any right, title or interest in them) the total consideration for which, or value of which, exceeds or would exceed \$315,000 in aggregate;
- (b) entry into, or offer or agreement to enter into, any other agreement, arrangement, joint venture, partnership or other commitment of any kind which would require expenditure, or the foregoing of revenue of any amount which exceeds or would exceed in aggregate \$315,000; or
- (c) declaration of a dividend by Anchor or any subsidiary which occurs, is discovered, announced, disclosed or otherwise becomes known to Jinshunda.

(6) **Mining tenements**

Without limiting the condition set out in 8.7(4):

- (a) no circumstance arises or is found to exist which might result in Anchor or one of its subsidiaries being in material breach of a condition of any of its mining tenements;
- (b) Anchor and its subsidiaries taking all action from time to time as may be necessary to maintain any mining tenements registered in the name of Anchor or its subsidiaries in good standing; and

- (c) Anchor and its subsidiaries complying with all applicable laws and codes of conduct and not doing, or permitting to be done, any act by which may result in any mining tenement registered in the name of Anchor or its subsidiaries being cancelled, surrendered, withdrawn, forfeited, altered or encumbered.

**(7) Material contracts**

No person exercises or purports to exercise, or states an intention to exercise a right (whether subject to conditions or not) which has or is likely to result in:

- (a) any monies borrowed by Anchor or a subsidiary being or becoming payable or being capable of being declared repayable immediately or earlier than the previous repayment date;
- (b) termination or variation of any material agreement with Anchor or a subsidiary;
- (c) the interest of Anchor or a subsidiary in a trust, corporation, partnership, joint venture or other entity, enterprise or venture being terminated modified or required to be transferred, disposed of or redeemed; or
- (d) the business of Anchor or a subsidiary being materially adversely affected, as a result (directly or indirectly) of Sunstar Capital acquiring or proposing to acquire Anchor Shares.

**(8) No related party transactions**

Anchor does not enter into or otherwise become party to a transaction with a related party or related entity (as those terms are defined in the Corporations Act).

**(9) No Prescribed Occurrences**

Before the date which is 3 business days after the end of the Offer Period, none of the following prescribed occurrences (being the occurrences listed in section 652C of the Corporations Act) happen:

- (a) Anchor converts all or any of its shares into a larger or smaller number of shares;
- (b) Anchor or a subsidiary of Anchor resolves to reduce its share capital in any way;
- (c) Anchor or a subsidiary of Anchor:
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) Anchor or a subsidiary of Anchor issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option (other than the issue of shares on exercise of Anchor Options);
- (e) Anchor or a subsidiary of Anchor issues, or agrees to issue, convertible notes;

- (f) Anchor or a subsidiary of Anchor disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) Anchor or a subsidiary of Anchor charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) Anchor or a subsidiary of Anchor resolves to be wound up;
- (i) a liquidator or provisional liquidator of Anchor or a subsidiary of Anchor is appointed;
- (j) a court makes an order for the winding up of Anchor or a subsidiary of Anchor;
- (k) an administrator of Anchor, or a subsidiary of Anchor, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Anchor or a subsidiary of Anchor executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Anchor or a subsidiary of Anchor.

**(10) Maintenance of cash position**

Anchor Group maintains cash and equivalents (as clarified in Anchor's statement of financial position as at 30 June 2010) of at least \$250,000.

**8.8 Nature and benefit of conditions**

- (1) The FIRB Condition is a condition precedent to the acquisition by Sunstar Capital of any interest in Anchor Shares of any kind which would cause a breach of the provisions of the FATA. Notwithstanding your acceptance of the Offer, unless and until the FIRB Condition is fulfilled:
  - (a) no contract for sale of your Anchor Shares will come into force or be binding on you or on Sunstar Capital;
  - (b) Sunstar Capital will not have rights (conditional or otherwise) in relation to your Anchor Shares;
  - (c) if any of your Anchor Shares are held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Anchor Shares by having your Controlling Participant transmit a valid originating message to ASTC specifying the Anchor Shares to be released from the sub position, in accordance with rule 14.16 of the ASTC Settlement Rules, at any time prior to the satisfaction of the FIRB Condition; and
  - (d) if any of your Anchor Shares are not held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Anchor Shares by sending a notice to that effect signed by you (or on your behalf, in which case documentation providing that the person or persons signing the notice are authorised to do so must accompany the notice) to any of the addresses specified on the Acceptance Form, so that it is received at the relevant address at any time prior to the fulfilment of the FIRB Condition.
- (2) All of the conditions in section 8.7, other than the FIRB Condition, are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the condition in section 8.7(9), within 3



business days after the end of the Offer Period), prevent a contract to sell your Anchor Shares from arising on acceptance of the Offer, but any breach or non-fulfilment of it entitles Sunstar Capital, by written notice to you, to rescind the contract that results from your acceptance of the Offer.

- (3) Subject to the Corporations Act and section 8.8(1), Sunstar Capital alone is entitled to the benefit of the conditions in section 8.7 or to rely on any breach or non-fulfilment of any of them.
- (4) Each condition in section 8.7 is a separate, several and distinct condition. No condition to which the Offer is subject will be taken to limit the meaning or effect of any other condition.
- (5) Subject to the Corporations Act, Sunstar Capital may at any time and from time to time waive (generally, or in respect of a particular event) the breach of or non-fulfilment of any condition in section 8.7 or any part of them, other than the Regulatory Approvals Condition.

#### **8.9 Freeing the Offer of conditions**

- (1) Except for the Regulatory Approvals Condition, which Sunstar Capital cannot waive, Sunstar Capital may free the Offer and any contract resulting from any of the conditions in section 8.7 generally or in relation to any specific occurrence by giving notice in writing to Anchor declaring the Offer to be free from the relevant condition or conditions specified in accordance with section 650F of the Corporations Act. This notice may be given:
  - (a) in the case of the condition in section 8.7(9), not later than 3 business days after the end of the Offer Period; and
  - (b) in the case of the other conditions in section 8.7, not less than 7 days before the end of the Offer Period.
- (2) If, at the end of the Offer Period (or in the case of the condition in section 8.7(9), within 3 business days after the end of the Offer Period), the conditions in section 8.7 have not been fulfilled and Sunstar Capital has not declared the Offer (or it has not become) free from those conditions, the Offer will terminate and all contracts resulting from the acceptance of the Offer will automatically be void.

#### **8.10 Notice on status of conditions**

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is 16 March 2011 (subject to extension in accordance with section 630(2) of the Corporations Act, if the Offer Period is extended).

#### **8.11 Withdrawal of this Offer**

This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. Sunstar Capital will give notice of the withdrawal to ASX and to Anchor and will comply with any other conditions imposed by ASIC.

If, at the time this Offer is withdrawn, all the conditions in section 8.7 have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.

If, at the time this Offer is withdrawn, the Offer remains subject to one or more of the conditions in section 8.7, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).



A withdrawal pursuant to this section 8.11 will be deemed to take effect:

- (1) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date that consent in writing is given by ASIC; or
- (2) if the withdrawal is subject to conditions imposed by ASIC, on and after the date those conditions are satisfied.

#### **8.12 Variation of this Offer**

Sunstar Capital may vary this Offer in accordance with the Corporations Act.

#### **8.13 No stamp duty or brokerage**

Sunstar Capital will pay any stamp duty on the transfer of your Anchor Shares to it.

As long as your Anchor Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Sunstar Capital, you will not incur any brokerage in connection with your acceptance of this Offer.

If your Anchor Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Anchor Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (typically your broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of this Offer.

#### **8.14 Governing laws**

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Victoria, Australia.

## 9. DEFINITIONS AND INTERPRETATION

### 9.1 Definitions

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires, the following terms have the corresponding meaning:

<b>A\$, \$ and AUD</b>	Australian dollars (and references to cents are to Australian cents)
<b>Acceptance Form</b>	The acceptance form enclosed with or accompanying this Bidder's Statement
<b>Anchor</b>	Anchor Resources Limited ACN 122 751 419
<b>Anchor Group</b>	Anchor and its subsidiaries
<b>Anchor Options</b>	Options to acquire Anchor Shares issued prior to the date of this Bidder's Statement
<b>Anchor Shares</b>	Fully paid ordinary shares in Anchor
<b>ASIC</b>	Australian Securities & Investments Commission
<b>Associate</b>	Has the meaning given in section 12(2) of the Corporations Act
<b>ASTC</b>	ASX Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532
<b>ASTC Settlement Rules</b>	Operating rules of the ASTC which govern the administration of CHESS
<b>ASX</b>	ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange operated by it (as the context requires)
<b>Bidder's Statement</b>	This document being the bidder's statement of Sunstar Capital under Part 6.5 of the Corporations Act relating to the Offer.
<b>Board</b>	Board of directors of Anchor
<b>CHESS</b>	Clearing House Electronic Subregister System administered by ASTC
<b>CHESS Holding</b>	Anchor Shares which are registered on Anchor's share register being a register administered by ASTC and which records uncertificated holdings of Anchor Shares
<b>Closing Date</b>	7:00pm (Sydney time) on 23 March 2011 (subject to the Offer being extended)
<b>Controlling Participant</b>	Has the meaning given in the ASTC Settlement Rules
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)

<b>FATA</b>	<i>Foreign Acquisitions and Takeovers Act 1975 (Cth)</i>
<b>FIRB</b>	Foreign Investment Review Board
<b>FIRB Condition</b>	The condition set out in section 8.7(2), to which the Offer is subject, which requires the Treasurer of the Commonwealth of Australia ceasing to have power under section 21A of the FATA to make an order prohibiting the acquisition by Sunstar Capital of Anchor Shares
<b>GST</b>	Has the meaning given in <i>A New Tax System (Goods and Services Tax) Act 1999</i>
<b>Holder Identification Number</b>	Has the meaning given in the ASTC Settlement Rules
<b>Initial Announcement</b>	The announcement by Anchor on 20 December 2010 that it had received a takeover proposal from Jinshunda
<b>Issuer Sponsored Holding</b>	Holding of Anchor Shares on Anchor's issuer sponsored sub-register
<b>Jinshunda</b>	China Shandong Jinshunda Group Corporation Limited
<b>Offer</b>	Sunstar Capital's offer to acquire Anchor Shares on the terms and conditions set out in section 8
<b>Offer Period</b>	The period during which the Offer will remain open for acceptance in accordance with section 8.2
<b>Offer Price</b>	\$0.28 per Anchor Share
<b>Participant</b>	An entity admitted to participate in CHESS under Rules 4.3.1 and 4.4.1 of the ASTC Settlement Rules
<b>PRC</b>	People's Republic of China
<b>PRC Regulatory Authorities</b>	Regulatory authorities in PRC from which approvals are required for Jinshunda to invest in Anchor and to transfer funds from PRC to Australia
<b>Public Authority</b>	Any government or any governmental, semi-governmental, statutory or judicial entity, agency or authority, whether in Australia, PRC or elsewhere, including (without limitation) any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, ASX and any other stock exchange
<b>Record Date</b>	7:00pm (Sydney time) on the date of the original Bidder's Statement, being 28 January 2011
<b>Regulatory Approvals Condition</b>	The conditions set out in section 8.7(2), to which the Offer is subject, including the FIRB Condition
<b>Rights</b>	All accreditations, rights or benefits of whatever kind attaching or arising from Anchor Shares directly or indirectly at or after the Initial Announcement (including, but not limited to, all dividends and all rights to receive them or

	rights to receive or subscribe for shares, notes, bonds, options or other securities declared, paid or issued by Anchor or any of its subsidiaries)
<b>Securityholder Reference Number</b>	Has the meaning given in the ASTC Settlement Rules
<b>Sunstar Capital</b>	Sunstar Capital Pty Ltd ACN 147 934 852
<b>Takeover Transferee Holding</b>	Has the meaning given in the ASTC Settlement Rules
<b>Target's Statement</b>	The Target's Statement to be issued by Anchor in response to this Bidder's Statement in accordance with section 633(1) of the Corporations Act
<b>VWAP</b>	Volume weighted average price

## 9.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires:

- (1) reference to:
  - (a) a section, paragraph, page or annexure is a reference to a section, paragraph, page or annexure in this Bidder's Statement;
  - (b) words and phrases given a particular meaning in Chapter 6 of the Corporations Act have the same meaning in this Bidder's Statement, unless the context otherwise requires;
  - (c) one gender includes the others;
  - (d) the singular includes the plural and the plural includes the singular;
  - (e) a person includes a body corporate;
  - (f) a party includes the party's executors, administrators, successors and permitted assigns;
  - (g) a statute, regulation or provision of a statute or regulation (**Statutory Provision**) includes:
    - (i) that Statutory Provision as amended or re-enacted;
    - (ii) a statute, regulation or provision enacted in replacement of that Statutory Provision; and
    - (iii) another regulation or other statutory instrument made or issued under that Statutory Provision; and
  - (h) money is to Australian dollars, unless otherwise stated;
- (2) "including" and similar expressions are not words of limitation;

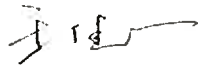
- (3) where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning; and
- (4) headings and any table of contents or index are for convenience only and do not affect the interpretation of this Bidder's Statement.

## 10. APPROVAL OF BIDDER'S STATEMENT

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

**Dated:** 14 February 2011

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

A handwritten signature in black ink, appearing to read 'Jiayi Yu', with a horizontal line extending to the right.

**Jiayi Yu**  
**Director**



## **CORPORATE DIRECTORY**

### **China Shandong Jinshunda Group Corporation Limited**

Fengxi Town, Linzi District,  
Zibo City, Shandong Province  
People's Republic of China

### **Sunstar Capital Pty Ltd ACN 147 934 852**

c/o Norton Rose Australia  
RACV Tower  
Level 15, 485 Bourke Street  
Melbourne VIC 3000

### **Legal Adviser**

Norton Rose Australia  
RACV Tower  
Level 15, 485 Bourke Street  
Melbourne VIC 3000

### **Share Registry for the Offer**

Link Market Services Limited  
Level 1, 333 Collins Street  
Melbourne VIC 3000

### **Sunstar Capital Offer Information Line\***

1300 794 682 (local call charges apply) from within Australia; or  
+61 2 8280 7751 (normal call charges apply) from outside Australia.

\*Calls to these telephone numbers may be recorded.

**Annexure A – Announcement in relation to the Offer and list of announcements made by Anchor since 30 June 2010**



# 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](http://www.anchorresources.com.au)

20 December 2010

Companies Announcement Office  
ASX Limited  
Exchange Centre  
Level 6  
20 Bridge Street  
Sydney NSW 2000

## **Anchor Resources Limited (ASX: AHR) – Request for Trading Halt**

**Anchor Resources Limited (ASX code AHR) announces receipt of takeover proposal, extension of closing date for rights issue and end of trading halt – notice under section 708AA(12) of the Corporations Act**

### **1. Takeover proposal**

Anchor Resources Limited (**Company**) advises that it has received from China Shandong Jinshunda Group Co Ltd an unsolicited, conditional proposal that it proposes to make, through its wholly owned Australian subsidiary Sunstar Capital Pty Ltd ACN 147 934 852, a cash offer of A\$0.28 per share to acquire all the issued shares in the Company.

A copy of the takeover proposal is **attached**.

The proposal is subject to a number of conditions.

The Board of the Company has not formed a view at this stage as to the merits of the proposal.

**Shareholders need take no action at this time.**

The Company will keep shareholders informed of any material developments in accordance with its continuous disclosure obligations.

### **2. Rights offer reminder**

The Company's previously announced rights issue of one ordinary share for every four ordinary shares held, at 16 cents per share, will proceed according to the timetable in the Offer Letter.

Notwithstanding the takeover proposal referred to above, and in compliance with the Appendix 7A timetable for the non-renounceable Rights Offer, the Company has been advised by the ASX that is precluded from extending the closing date of the Offer.

Additional applications from shareholders who have previously confirmed acceptance of the Rights Offer, and Shortfall Offer, will be accepted by the Company if received by the stated closing date of 5PM AEDST on Wednesday 22 December, 2010.



**3. End of trading halt**

Consistent with the terms of the trading halt announced earlier today, such trading halt is lifted with effect from the issue of this announcement.

This notice is given under section 708AA(12) of the Corporations Act 2001 (Cth) as notionally modified by the Australian Securities and Investments Commission Class Order 08/35.

Yours sincerely

**Ross Moller**  
**Company Secretary**

20 December 2010

By Facsimile: (02) 9227 0334

Pam Ross  
Manager, Company Announcements  
Australian Securities Exchange  
Sydney

## NORTON ROSE

Norton Rose Australia  
ABN 32 720 868 049  
Level 15, RACV Tower  
485 Bourke Street  
MELBOURNE VIC 3000  
AUSTRALIA

Tel +61 (0)3 8686 6000  
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GPO Box 4592, Melbourne VIC 3001  
DX 445 Melbourne  
[www.nortonrose.com](http://www.nortonrose.com)

Your reference

Direct line

+61 (0)3 8686 6548

Our reference  
2642055

Email  
[michael.wilton@nortonrose.com](mailto:michael.wilton@nortonrose.com)


Dear Pam

### Takeover Proposal - AHR

We act for China Shandong Jinshunda Group Co Ltd. At 11:15am today, we faxed a copy of a takeover Proposal made by our client (**Proposal**) to Mr John Anderson, Chairman of Anchor Resources Limited (AHR). Subsequently, AHR sought and obtained a trading halt from ASX pending an announcement by AHR of a proposed takeover bid for shares in AHR.

For the market to be properly informed, full details of the Proposal must be given to the market. Accordingly, we request that you release this letter and the attached Proposal on the Companies Announcements Platform immediately.

Yours faithfully



Michael Wilton  
Partner  
Norton Rose Australia

CC: Mr John Anderson  
By fax: (02) 9279 2727

Our offices will be operating with limited staff over the Christmas / New Year period. Our Switchboard team members are able to put you in contact with partners and staff should you have urgent requests.

APAC-#8454096-v1

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中国山 · 金 · 达集 · 有限公司

CHINA SHANDONG JINSHUNDA GROUP CO., LTD.

20 December 2010

Mr John Anderson  
Chairman  
Anchor Resources Limited  
Suite 505, 35 Lime Street  
Sydney NSW  
AUSTRALIA 2000

Dear Mr Anderson

#### Takeover proposal

China Shandong Jinshunda Group Co., Ltd. (**Jinshunda**) has held confidential discussions with Anchor Resources Limited (**Anchor**) regarding Jinshunda participating in the development of Anchor's projects, including a possible joint venture. Unfortunately, Jinshunda and Anchor were not able to agree on the terms of Jinshunda's participation.

Jinshunda continues to have a high degree of interest in investing in Anchor.

This letter sets out the terms of a proposal by Jinshunda through its wholly owned Australian subsidiary Sunstar Capital Pty Ltd to acquire all of the issued shares and options in Anchor.

#### Proposal

Jinshunda proposes to make a cash offer of 28 cents (A\$0.28) per share for all of the issued shares in Anchor (**Proposal**). The Proposal represents a premium of:

- 12 cents or 75% to the current rights issue offer price of 16 cents; and
- 12 cents or 75% to the last traded price of shares in Anchor on 14 December 2010 (the last date on which Anchor shares traded prior to the date of this letter),

and is equivalent to the highest price at which Anchor shares are reported to have been traded on ASX since Anchor was listed in 2007.

Jinshunda will offer a price equal to 28 cents less the exercise price for each of the options.

The Proposal is subject to the conditions set out in Annexure A, which include a condition that Jinshunda acquires a relevant interest in at least 50% of the issued shares in Anchor.

#### Intentions of Jinshunda

Jinshunda intends to continue and accelerate the development of Anchor's projects irrespective of the level of ownership it holds on completion of the offers.

#### Benefits of Proposal

Jinshunda expects that there will be a number of benefits to Anchor's shareholders and employees from the Proposal, including:

- Anchor's shareholders will have the ability to crystallise a substantial premium to the current market price, and receive this premium in cash which will provide shareholders with certainty as to the value of the offers.



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- Anchor's employees and those shareholders who retain their Anchor shares will have the opportunity to join with a larger and well-capitalised organisation that has substantial operations, particularly in China, and has plans to significantly increase its investment in Australia.
- No adverse CGT rollover consequences for shareholders.

#### **Financing**

Jinshunda has sufficient cash at bank to fund the consideration for the acquisition of all of the issued shares in Anchor.

#### **Status of this letter**

This letter constitutes notification of a proposed takeover bid for the purposes of s631 of the Corporations Act.

Yours sincerely,



**Wang Gan**  
**Chairman**  
China Shandong Jinshunda Group Co., Ltd.

## **Annexure A Conditions**

The Proposal and any contract that results from acceptance of the offers contemplated by the Proposal will be subject to fulfilment or waiver of the following conditions:

### **1 Minimum Acceptance**

During, or at the end of, the offer period, Jinshunda has a relevant interest in at least 50% of all of the issued shares in Anchor.

### **2 Regulatory approvals**

Before the end of the offer period, all approvals or consents that are required by law, or by any Public Authority, including FIRB and PRC Regulatory Authorities, as are necessary to permit:

- (1) the offers to be lawfully made to and accepted by shareholders of Anchor; and
- (2) the transactions contemplated by the Proposal to be completed,

are granted, given, made or obtained on an unconditional basis, remain in full force and effect in all respects, and do not become subject to any notice of intention to revoke, suspend, restrict, modify or not renew the same.

### **3 Conduct of business**

Between the date of announcement of the Proposal and the end of the offer period (each inclusive) neither Anchor nor any of its subsidiaries conducts its business other than in the ordinary course.

### **4 No material adverse change**

Between the date of announcement of the Proposal and the end of the offer period (each inclusive), no matter, event, change, condition, circumstance or thing occurs, is announced or becomes known to Jinshunda which, individually or when aggregated with all such events, occurrences or matters, could reasonably be expected to:

- (1) have an adverse effect on the consolidated assets or liabilities (including contingent liabilities as recognised in preparation of financial statements) of the Anchor Group based on the financial year ended 30 June 2010 exceeding A\$315,000; or
- (2) have a material adverse effect on the consolidated net profit or loss of after tax of the Anchor Group;

other than:

- (3) matters that are required to be done in order to implement the Proposal;
- (4) matters which took place with the prior written consent of Jinshunda; and
- (5) matters which Anchor fully and fairly disclosed in an announcement made to the ASX prior to the date of announcement of the Proposal.

### **5 No material acquisitions or disposals**

That outside the ordinary course of business or as otherwise agreed in writing between Jinshunda and Anchor there is no:

- (1) purchase or other acquisition, sale or other disposal of, or offer or agreement to purchase, acquire, sell or dispose of, any property or assets (or any right, title or interest in them) the total consideration for which, or value of which, exceeds or would exceed A\$315,000 in aggregate;
- (2) entry into, or offer or agreement to enter into, any other agreement, arrangement, joint venture, partnership or other commitment of any kind which would require expenditure, or the foregoing of revenue of any amount which exceeds or would exceed in aggregate A\$315,000; or

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- (3) declaration of a dividend by Anchor or any subsidiary which occurs, is discovered, announced, disclosed or otherwise becomes known to Jinshunda, between the date of announcement of the Proposal and the end of the offer period (each inclusive).

#### 6 Mining tenements

Without limiting condition 4, between the date of announcement of the Proposal and the end of the offer period (each inclusive):

- (1) no circumstance arises or is found to exist which might result in Anchor or one of its subsidiaries being in material breach of a condition of any of its tenements;
- (2) Anchor and its subsidiaries take all action from time to time as may be necessary to maintain any mining tenements registered in the name of Anchor or its subsidiaries in good standing; and
- (3) Anchor and its subsidiaries comply with all applicable laws and codes of conduct and not doing, or permitting to be done, any act by which may result in any mining tenement registered in the name of Anchor or its subsidiaries being cancelled, surrendered, withdrawn, forfeited, altered or encumbered.

#### 7 Material contracts

Between the date of announcement of the Proposal and the end of the offer period (each inclusive) no person exercises or purports to exercise, or states an intention to exercise a right (whether subject to conditions or not) which has or is likely to result in:

- (1) any monies borrowed by Anchor or a subsidiary being or becoming payable or being capable of being declared repayable immediately or earlier than the previous repayment date;
- (2) termination or variation of any material agreement with Anchor or a subsidiary;
- (3) the interest of Anchor or a subsidiary in a trust, corporation, partnership, joint venture or other entity, enterprise or venture being terminated modified or required to be transferred, disposed of or redeemed; or
- (4) the business of Anchor or a subsidiary being materially adversely affected,

as a result (directly or indirectly) of Jinshunda acquiring or proposing to acquire shares in Anchor.

#### 8 No related party transactions

Between the date of announcement of the Proposal and the end of the offer period (each inclusive) Anchor does not enter into or otherwise become party to a transaction with a related party or related entity (as those terms are defined in the Corporations Act).

#### 9 No Prescribed Occurrences

Between the date of announcement of the Proposal and the date which is three business days after the end of the offer period, none of the following prescribed occurrences (being the occurrences listed in s652C of the Corporations Act) happen:

- (1) Anchor converting all or any of its shares into a larger or smaller number of shares under s254H of the Corporations Act;
- (2) Anchor or a subsidiary of Anchor resolving to reduce its share capital in any way;
- (3) Anchor or a subsidiary of Anchor:
  - (a) entering into a buy-back agreement; or
  - (b) resolving to approve the terms of a buy-back agreement under s257C(1) or s257D(1) of the Corporations Act;

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- (4) Anchor or a subsidiary of Anchor issuing shares or granting an option over its shares, or agreeing to make such an issue or grant such an option (other than the issue of shares on exercise of options on issue on the date of announcement of the Proposal);
- (5) Anchor or a subsidiary of Anchor issuing, or agreeing to issue, convertible notes;
- (6) Anchor or a subsidiary of Anchor disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (7) Anchor or a subsidiary of Anchor charging, or agreeing to charge, the whole, or a substantial part, of its business or property;
- (8) Anchor or a subsidiary of Anchor resolving that it be wound up;
- (9) the appointment of a liquidator or provisional liquidator of Anchor or a subsidiary of Anchor;
- (10) the making of an order by a court for the winding up of Anchor or a subsidiary of Anchor;
- (11) an administrator of Anchor, or a subsidiary of Anchor, being appointed under s436A, s436B or s436C of the Corporations Act;
- (12) Anchor or a subsidiary of Anchor executing a deed of company arrangement; or
- (13) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of Anchor or a subsidiary of Anchor.

**10 Maintenance of cash position**

Between the date of announcement of the Proposal and the end of the offer period (each inclusive), Anchor Group maintains cash and equivalents (as clarified in the statement of financial position as at 30 June 2010) of at least A\$250,000.

## Glossary

In the letter containing the Proposal, including the conditions in Annexure A, the following expressions have these meanings.

Anchor	Anchor Resources Limited ACN 122 751 419
Anchor Group	Anchor and its controlled entities
Corporations Act	<i>Corporations Act 2001</i>
FIRB	The Australian Foreign Investment Review Board
Jinshunda	China Shandong Jinshunda Group Co., Ltd., a company incorporated in PRC, or where relevant, its wholly owned Australian subsidiary Sunstar Capital Pty Ltd ACN 147 934 852
Mofcom	The Ministry of Commerce
NDRC	The National Development and Reform Commission
Offers	The takeover offers to be made by Jinshunda as contemplated in the Proposal
Offer period	The period during which offers are open for acceptance
PRC	The Peoples Republic of China
PRC Regulatory Authorities	Any Public Authority of the PRC, including NDRC, Mofcom and SAFE
Proposal	Jinshunda's proposal to make a cash offer of 28 cents (A\$0.28) per share for all of the issued shares in Anchor
Public Authority	Any governmental or other public authority, in Australia or PRC, the approval or consent of which is required for Jinshunda to undertake the Proposal
SAFE	The State Administration of Foreign Exchange

The table below sets out details of each company announcement lodged by Anchor with ASX since 30 June 2010

<b>Date</b>	<b>Description of Announcement</b>
31/01/2011	Update on Takeover Proposal – Bidder's Statement received
31/01/2011	Quarterly Activities Report – December 2010
31/01/2011	Quarterly Cashflow Report
28/01/2011	Bidder's Statement – Off-market bid
28/01/2011	Bielsdown exploration update
20/01/2011	Change in substantial holding
12/01/2011	Update on unsolicited takeover proposal
10/01/2011	Change of Director's Interest Notice
10/01/2011	Change of Director's Interest Notice
04/01/2011	Rights issue - Holding Statements mailout
04/01/2011	Appendix 3B - Share issue on options exercise
29/12/2010	Capital raising closes oversubscribed
29/12/2010	Appendix 3B Update for Share Allotment of Rights Issue
29/12/2010	Securities Trading Policy
23/12/2010	Response to ASX Query
20/12/2010	Takeover Proposal
20/12/2010	Takeover proposal and rights issue reminder
20/12/2010	Trading Halt
16/12/2010	Rights Offer - Underwriting agreements
09/12/2010	Anchor upgrades antimony resource
03/12/2010	Rights Offer - Letter to shareholders
12/11/2010	Change of Director's Interest Notice
12/11/2010	Issue of Options under ESOP
12/11/2010	Results of Annual General Meeting
12/11/2010	MD AGM Address
12/11/2010	Non-Renounceable Rights Issue - Cleansing Notice



<b>Date</b>	<b>Description of Announcement</b>
12/11/2010	Non-Renounceable Rights Issue - Appendix 3B
12/11/2010	Non-Renounceable Rights Issue - Offer Letter
12/11/2010	Non-Renounceable Rights Issue - Announcement
29/10/2010	Quarterly Cashflow Report
29/10/2010	Quarterly Activities Report
14/10/2010	2010 Annual Report to shareholders
14/10/2010	Notice of Annual General Meeting/Proxy Form
11/10/2010	Appendix 3B - Grant of Share Options
11/10/2010	Issue of Options under ESOP
30/09/2010	Full Year Statutory Accounts
27/09/2010	Change of Director's Interest Notice x 4
27/09/2010	Issue of Shares on Exercise of Options - Appendix 3B
22/09/2010	Anchor company presentations to investors
10/09/2010	Change of Director's Interest Notice
06/09/2010	Change of Director's Interest Notice
30/07/2010	Quarterly Activities Report - June 2010
30/07/2010	Quarterly Cashflow Report - June 2010
16/07/2010	Change of Director's Interest Notice
08/07/2010	Anchor proceeds to scoping study

**Annexure B – Consideration provided for Anchor Shares during previous four months**

<b>Contract Date</b>	<b>Settlement Date</b>	<b>Price</b>	<b>Quantity</b>
20-12-2010	23-12-2010	0.22	50,000
20-12-2010	23-12-2010	0.21	29,667
20-12-2010	23-12-2010	0.205	24,016
20-12-2010	23-12-2010	0.2	70,000
20-12-2010	23-12-2010	0.195	40,000
22-12-2010	29-12-2010	0.27	15,000
22-12-2010	29-12-2010	0.255	20,000
24-12-2010	31-12-2010	0.255	39,616
29-12-2010	04-01-2011	0.265	50,000
30-12-2010	05-01-2011	0.275	15,000
30-12-2010	05-01-2011	0.27	3,750
31-12-2010	06-01-2011	0.265	11,285
04-01-2011	07-01-2011	0.265	18,715
04-01-2011	07-01-2011	0.27	50,000
05-01-2011	10-01-2011	0.26	119,446
05-01-2011	10-01-2011	0.265	15,000
06-01-2011	11-01-2011	0.26	319,000
07-01-2011	12-01-2011	0.26	115,000
07-01-2011	12-01-2011	0.25	62,048
10-01-2011	13-01-2011	0.25	400
10-01-2011	13-01-2011	0.26	30,000
11-01-2011	14-01-2011	0.26	100,000
11-01-2011	14-01-2011	0.25	100,000
11-01-2011	14-01-2011	0.255	25,000
12-01-2011	17-01-2011	0.25	17,386

Contract Date	Settlement Date	Price	Quantity
13-01-2011	18-01-2011	0.27	28,000
13-01-2011	18-01-2011	0.265	58
14-01-2011	19-01-2011	0.26	62,500
17-01-2011	20-01-2011	0.26	950
25-01-2011	31-01-2011	0.265	30,000
27-01-2011	01-02-2011	0.26	50,000
28-01-2011	02-02-2011	0.26	19,550
28-01-2011	02-02-2011	0.265	10,000
28-01-2011	02-02-2011	0.260	87,700
31-01-2011	03-02-2011	0.265	30,000
02-02-2011	02-02-2011	0.26	20,976
02-02-2011	07-02-2011	0.260	12,300
04-02-2011	09-02-2011	0.260	50,000
		<b>Total</b>	<b>1,749,363</b>



**SUNSTAR CAPITAL PTY LTD**  
ACN 147 934 852



### Need help?

**Contact** Sunstar Capital Pty Ltd Offer Information Line  
**Phone** 1300 794 682 (from within Australia)  
**Phone** +61 2 8280 7751 (from outside Australia)

## A Your name

SAMPLE NAME 1  
SAMPLE NAME 2  
<SAMPLE A/C>  
SAMPLE ADDRESS 1  
SAMPLE ADDRESS 2

## Your holding

Holder Identification Number: X12345678910

Anchor Shares held as at  
7:00pm (Sydney time) on  
28 January 2011 99,999 999

If your holding has changed between the record date and time of acceptance, then write your current holding here.

**This is an important document. If you are in doubt as to how to complete this form, please consult your financial or other professional adviser immediately.**

Controlling Participant's Name *Broker's Name and telephone printed here*

Advisor Name:		Contact Number:	
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## Transfer and Acceptance Form – CHES Subregister

This is a personalised form for the sole use of the holder and holding recorded above.

## B You must give your instructions to your controlling participant to accept the Offer

If you correctly sign and return this form you will be deemed to have accepted the Offer in respect of **ALL** of your Anchor Shares.

**Offer Consideration** – Cash offer of \$0.28 per one (1) Anchor Share

To accept the Offer you may either:

- directly instruct your Controlling Participant to accept the Offer on your behalf; or
- sign and return this Acceptance Form to the address shown overleaf so the Bidder can contact your Controlling Participant on your behalf and relay your instructions.

If your Controlling Participant acts on your instruction CHES will send you a confirmation notice.

## C Contact details

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.

Telephone Number where you can be contacted during business hours

Contact Name (PRINT)

## D You must sign this form for your instructions in this Acceptance Form to be executed

I/We, the person(s) named above, accept the Offer in respect of all my/our Anchor Shares and hereby agree to transfer to Sunstar Capital Pty Ltd all my/our Anchor Shares for the consideration specified in the Offer, and on the terms and conditions of the Offer as set out in the Bidder's Statement.

Shareholder 1 (Individual)

Sole Director & Sole Company Secretary

Shareholder 2 (Individual)

Secretary/Director (delete one)

Shareholder 3 (Individual)

Director

**Please refer overleaf for further important instructions**

REGISTRY USE ONLY



HIN



Broker PID



Holding

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## Further Important Instructions

Your Anchor Shares are in a CHESS Holding, you do not need to complete and return this Acceptance Form to the registry to accept the Offer. You can instead contact your Controlling Participant and instruct them to accept the Offer on your behalf in sufficient time before the end of the Offer Period to enable your Controlling Participant to give effect to your acceptance of the Offer on CHESS during business hours. If you decide to use this Acceptance Form to authorise us to contact your Controlling Participant on your behalf, follow the instructions below. You should allow Link Market Services Limited ("Link") sufficient time for the delivery of the Acceptance Form to your Controlling Participant on your behalf. Neither Sunstar Capital Pty Ltd, nor Link will be responsible for any delays incurred by this process.

Please refer to the Bidder's Statement dated 14 February 2011 which accompanies this Acceptance Form. Terms defined in the Bidder's Statement have the same meaning in this Acceptance Form.

### Completion instructions

- A** • **Please check the front page** to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name or address can only be processed by your Controlling Participant.
- **Please note** your consideration will be issued in the names as they appear on the Anchor Resources Limited register.
- D** • **Please sign this Acceptance Form** in the places for signature(s) out on the front page and in accordance with the following instructions:
  - **Joint Shareholders:** If your Anchor Shares are held in the names of more than one person, all of those persons must sign this Acceptance Form.
  - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
  - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
  - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

Information you supply on this Acceptance Form will be used by Sunstar Capital Pty Ltd and Link Market Services Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to Sunstar Capital Pty Ltd's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you fail to supply this information, your acceptance may not be processed and you may not receive the consideration payable. You have rights to obtain access to the personal information which you have supplied. Please see Link Market Services Limited's privacy policy on its website [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### Lodgement instructions

- Mail or deliver completed Acceptance Form(s) and any other documents required by the above instructions to:

#### Mailing Address

Link Market Services Limited  
Anchor Resources Limited Takeover  
Reply Paid 1512  
SYDNEY SOUTH NSW 1234

or

#### Hand Delivery

Link Market Services Limited  
Anchor Resources Limited Takeover  
Level 12, 680 George Street  
SYDNEY NSW 2000

- A reply paid envelope is enclosed for use within Australia.

**Your acceptance must be received by no later than the end of the Offer Period, which is 7:00pm (Sydney time) on the last day of the Offer Period, being 23 March 2011 (unless extended).**

**If you have any questions about the terms of the Offer or how to accept, please call the Sunstar Capital Pty Ltd Offer Information Line on the following numbers:**

**within Australia: 1300 794 682**  
**outside Australia: +61 2 8280 7751**





**SUNSTAR CAPITAL PTY LTD**  
ACN 147 934 852



### Need help?

**Contact** Sunstar Capital Pty Ltd Offer Information Line  
**Phone** 1300 794 682 (from within Australia)  
**Phone** +61 2 8280 7751 (from outside Australia)

## A Your name

SAMPLE NAME 1  
SAMPLE NAME 2  
<SAMPLE A/C>  
SAMPLE ADDRESS 1  
SAMPLE ADDRESS 2

## Your holding

Securityholder Reference Number: 112345678910

Anchor Shares held as at  
7:00pm (Sydney time) on  
28 January 2011 99,999,9999

If your holding has changed between the record date and time of acceptance, then write your current holding here. Your acceptance will be granted over your updated holding.

**This is an important document. If you are in doubt as to how to complete this form, please consult your financial or other professional adviser immediately.**

## Transfer and Acceptance Form – Issuer Sponsored Subregister

This is a personalised form for the sole use of the holder and holding recorded above.

## B You must give your instructions to accept the Offer

If you correctly sign and return this form you will be deemed to have accepted the Offer in respect of **ALL** of your Anchor Shares. Your form must be received by the Closing Date.

**Offer Consideration** – Cash offer of \$0.28 per one (1) Anchor Share

## C Contact details

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.

Telephone Number where you can be contacted during business hours

Contact Name (PRINT)

## D You must sign this form for your instructions in this Acceptance Form to be executed

I/We, the person(s) named above, accept the Offer in respect of all my/our Anchor Shares and hereby agree to transfer to Sunstar Capital Pty Ltd all my/our Anchor Shares for the consideration specified in the Offer, and on the terms and conditions of the Offer as set out in the Bidder's Statement.

Shareholder 1 (Individual)

Sole Director & Sole Company Secretary

Shareholder 2 (Individual)

Secretary/Director (delete one)

Shareholder 3 (Individual)

Director

**Please refer overleaf for further important instructions**

REGISTRY USE ONLY



SRN



Holding

AHRT TKO001



## Further Important Instructions

Your Anchor Shares are in an Issuer Sponsored Holding. To accept the Offer, you must complete and return this Acceptance Form in accordance with the instructions below.

Please refer to the Bidder's Statement dated 14 February 2011 which accompanies this Acceptance Form. Terms defined in the Bidder's Statement have the same meaning in this Acceptance Form.

### Completion instructions

- A** • **Please check the front page** to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name can only be processed by your Anchor Resources Limited Registry.
- **Please note** your consideration will be issued in the names as they appear on the Anchor Resources Limited register.
- D** • **Please sign this Acceptance Form** in the places for signature(s) out on the front page and in accordance with the following instructions:
  - **Joint Shareholders:** If your Anchor Shares are held in the names of more than one person, all of those persons must sign this Acceptance Form.
  - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
  - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
  - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

Information you supply on this Acceptance Form will be used by Sunstar Capital Pty Ltd and Link Market Services Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to Sunstar Capital Pty Ltd's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you fail to supply this information, your acceptance may not be processed and you may not receive the consideration payable. You have rights to obtain access to the personal information which you have supplied. Please see Link Market Services Limited's privacy policy on its website [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

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**within Australia: 1300 794 682  
outside Australia: +61 2 8280 7751**