

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**ABN****49 122 751 419**

Quarter ended ("current quarter")

30 September 2008**Consolidated statement of cash flows****Cash flows related to operating activities**

- 1.1 Receipts from product sales and related debtors
- 1.2 Payments for (a) exploration and evaluation
(b) development
(c) production
(d) administration
- 1.3 Dividends received
- 1.4 Interest and other items of a similar nature received
- 1.5 Interest and other costs of finance paid
- 1.6 Income taxes paid
- 1.7 Other - tenement security deposits

Net Operating Cash Flows**Cash flows related to investing activities**

- 1.8 Payment for purchases of: (a) prospects
(b) equity investments
(c) other fixed assets
- 1.9 Proceeds from sale of: (a) prospects
(b) equity investments
(c) other fixed assets
- 1.10 Loans to other entities
- 1.11 Loans repaid by other entities
- 1.12 Other - security deposit

Net investing cash flows

- 1.13 Total operating and investing cash flows (carried forward)

	Current quarter 30 Sept 2008 \$A'000	Year to date (3 months) 30 Sept 2008 \$A'000
	(515)	(515)
	(131)	(131)
	38	38
	(608)	(608)
	(20)	(20)
	(20)	(20)
	(628)	(628)

	Current quarter \$A'000	Year to date \$A'000
1.13 Total operating and investing cash flows (brought forward)	(628)	(628)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.		
1.15 Proceeds from sale of forfeited shares		
1.16 Proceeds from borrowings		
1.17 Repayment of borrowings		
1.18 Dividends paid		
1.19 Other - Share issue costs		
Net financing cash flows	Nil	Nil
Net increase (decrease) in cash held	(628)	(628)
1.20 Cash at beginning of quarter/year to date	2,347	2,347
1.21 Exchange rate adjustments to item 1.20		
1.22 Cash at end of quarter	1,719	1,719

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	75
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Salaries, directors' fees and consultancy fees at normal commercial rates

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing facilities available*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	240
4.2 Development	Nil
Total	240

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2	36
5.2 Deposits at call	168	325
5.3 Bank overdraft	(1)	0
5.4 Other - bills receivable, bank accepted and short term bank deposits	1,550	2,000
Total: cash at end of quarter (item 1.22)	1,719	2,361

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Not applicable		
6.2	Interests in mining tenements acquired or increased	EL 7184 Thunderbolts (granted from ELA 3472)	0%	100%
		EL 7185 Munga (granted from ELA 3473)	0%	100%
6.3	The full Anchor Resources Limited schedule of tenements is included as an attachment to this report.			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total Number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities	Nil			
7.2 Changes during quarter	Nil			
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 Ordinary securities - fully paid AHR	30,680,000	23,930,000		
7.4 Changes during quarter				
(a) Increases through issues	Nil			
(b) Decreases through return of capital, buy-backs	Nil			
7.5 Convertible debt securities	Nil			
7.6 Changes during quarter	Nil			
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
- Unquoted Options	500,000	Nil	25 cents	31 Mar 2010
- Unquoted Options	1,000,000	Nil	25 cents	06 Mar 2011
- Quoted Options AHRO	15,304,688	15,304,688	25 cents	31 Mar 2010
- Unquoted Options (ESOP)	150,000	Nil	18 cents	14 Mar 2013
7.8 Issued during quarter	Nil			
7.9 Exercised during quarter	Nil			
7.10 Expired during quarter	Nil			
7.11 Debentures (totals only)	Nil			
7.12 Unsecured notes (totals only)	Nil			

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
2. This statement does give a true and fair view of the matters disclosed.

Sign here:

Ross Moller

Date: 24 October 2008

 (Director / Company Secretary)

Print name:

Ross E Moller

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenements, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
3. **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
4. The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
5. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Tenement	Tenement Number	Interest	Joint Venture Details
NEW SOUTH WALES			
Bielsdown	EL 6388	100%	Nil
Blicks	EL 6465	100%	Nil
Birdwood	EL 6459	100%	Nil
Canonba	EL 6928	100%	Nil
Collaroy	EL 6929	100%	Nil
Thunderbolts	EL 7184	100%	Nil
Munga	EL 7185	100%	Nil
QUEENSLAND			
Greenvale East	EPM 14646	100%	Nil
Aspiring	EPM 14752	100%	Nil
Featherbeds	EPM 15631	100%	Nil
Hot Springs	EPM 15987	100%	Nil

EL = Exploration Licence

ELA = Exploration Licence Application

EPM = Exploration Permit for Minerals