

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")

31 March 2010

Consolidated statement of cash flows

Cash flows related to operating activities

| | Current quarter 31 March 2010 \$A'000 | Year to date (9 months) 31 March 2010 \$A'000 |
|--|---|--|
| 1.1 Receipts from product sales and related debtors | | |
| 1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration | (268) | (845) |
| 1.3 Dividends received | | |
| 1.4 Interest and other items of a similar nature received | 15 | 32 |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | | |
| 1.7 Other - tenement security deposits | | |
| Net Operating Cash Flows | (378) | (1,254) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets | (10) | (3) |
| 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 | 2 | (2) |
| Net investing cash flows | (8) | (5) |
| 1.13 Total operating and investing cash flows (carried forward) | (386) | (1,259) |

| | Current quarter \$A'000 | Year to date \$A'000 |
|---|----------------------------|-------------------------|
| 1.13 Total operating and investing cash flows (brought forward) | (386) | (1,259) |
| Cash flows related to financing activities | | |
| 1.14 Proceeds from issues of shares, options, etc. | 384 | 1,404 |
| 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 | (14) | (26) |
| Net financing cash flows | 370 | 1,378 |
| Net increase (decrease) in cash held | (16) | 119 |
| 1.20 Cash at beginning of quarter/year to date | 1,342 | 1,207 |
| 1.21 Exchange rate adjustments to item 1.20 | | |
| 1.22 Cash at end of quarter | 1,326 | 1,326 |

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 | 77 |
| 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 | 500 |
| 4.2 Development | Nil |
| Total | 500 |

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 | 204 | 14 |
| 5.2 Deposits at call | 142 | 948 |
| 5.3 Bank overdraft | 0 | 0 |
| 5.4 Other - bills receivable, bank accepted and short term bank deposits | 980 | 380 |
| Total: cash at end of quarter (item 1.22) | 1,326 | 1,342 |

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 | EPM 15631 Featherbeds Project (Qld) | Full relinquishment | 100% | 0% |
| | EPM 15987 Hot Springs Project (Qld) | Full relinquishment | 100% | 0% |
| 6.2 Interests in mining tenements acquired or increased | Not applicable | | | |

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 | 39,259,237 | 39,259,237 | | |
| 7.4 Changes during quarter | | | | |
| (a) Increases through issues | 1,535,100 | 1,535,100 | 25 cents | 25 cents (100%) |
| (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 | 1,000,000 | Nil | 25 cents | 06 Mar 2011 |
| - Unquoted Options (ESOP) | 525,000 | Nil | 18 cents | 14 Mar 2013 |
| - Unquoted Options (ESOP) | 775,000 | Nil | 7 cents | 13 Mar 2014 |
| 7.8 Issued during quarter | | | | |
| - Unquoted Options (ESOP) | Nil | | | |
| 7.9 Exercised during quarter | | | | |
| - Quoted Options AHRO | 1,535,100 | 1,535,100 | 25 cents | 31 Mar 2010 |
| 7.10 Expired during quarter | | | | |
| - Quoted Options | 13,542,088 | 13,542,088 | 1 cent | 31 Mar 2010 |
| - Unquoted Options | 500,000 | Nil | Nil | 31 Mar 2010 |
| 7.11 Debentures (totals only) | Nil | | | |
| 7.12 Unsecured notes (totals only) | Nil | | | |

Schedule of Tenements as at 31 March 2010

| 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 |
| Thunderbolts | EL 7184 | 100% | Nil |
| Munga | EL 7185 | 100% | Nil |
| QUEENSLAND | | | |
| Greenvale East | EPM 14646 | 100% | Nil |
| Aspiring | EPM 14752 | 100% | Nil |

EL = Exploration Licence

EPM = Exploration Permit for Minerals