



## ASX ANNOUNCEMENT

DATE: 24<sup>th</sup> April 2013

Anchor Resources Limited

ASX Code: AHR

ABN 49 122 751 419

Anchor Resources Limited is an Australian company listed on the Australian Securities Exchange. It is exploring for gold, copper, antimony and other metals in eastern Australia.

### Key Projects

Aspiring	Gold, silver, base metals
Bielsdown	Antimony
Blicks	Gold, copper
Birdwood	Copper

### Directors

Mr Ian Price	Managing Director
Mr Jianguang Wang	Chairman
Mr Steven Yu	Executive Director
Mr Vaughan Webber	Director
Mr R N (Sam) Lees	Director

### Address

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NSW 2000

### Investor & Media Enquiries

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## Quarterly Activities Report

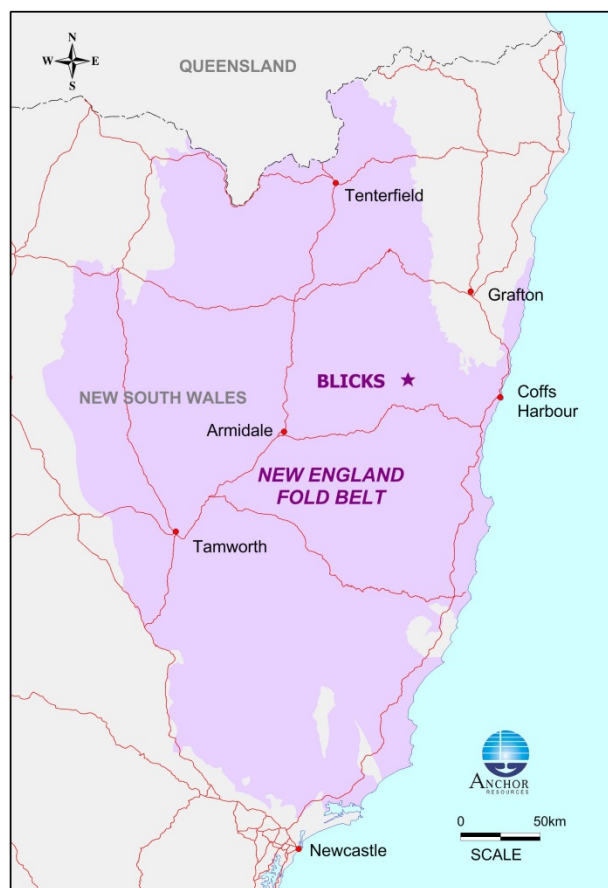
March 2013

## HIGHLIGHTS

- *Tyringham gold prospect (Blicks Project, NSW) confirmed in late 2012 as a zoned Intrusion Related Gold System (IRGS) following a site review by an international expert in IRGS deposits*
- *Tyringham East and Tyringham West gold prospects are two of at least 3 mineralised centres within a north-east trending corridor ("Tyringham Corridor") defined over a distance of up to 6km in length*
- *Soil sampling is underway to extend the soil geochemistry coverage for the entire "Tyringham Corridor"*
- *Re-processing of previous aeromagnetic data has been completed with modern computer techniques and is being incorporated into a new 1:100,000 geological map for the area*
- *Anchor has negotiated an increase in the Finance Facility from its major shareholder Jinshunda Group. The purpose of the Facility is to provide funding to the Company to carry out exploration and ancillary activities*
- *The Facility has been increased by A\$1.5 million to A\$5.0 million and has been extended to 26 February 2015 with all other terms remaining the same.*

**Blicks Project EL 6465, ELA 4731 - (Anchor 100%)  
New South Wales - Gold**

The Blicks Project is located in the New England Fold Belt in north-east NSW, approximately 90km from the major regional centre of Armidale (Figure 1). It is prospective for Intrusion Related Gold Systems (IRGS).



**Figure 1: Blicks Project, New England Fold Belt**

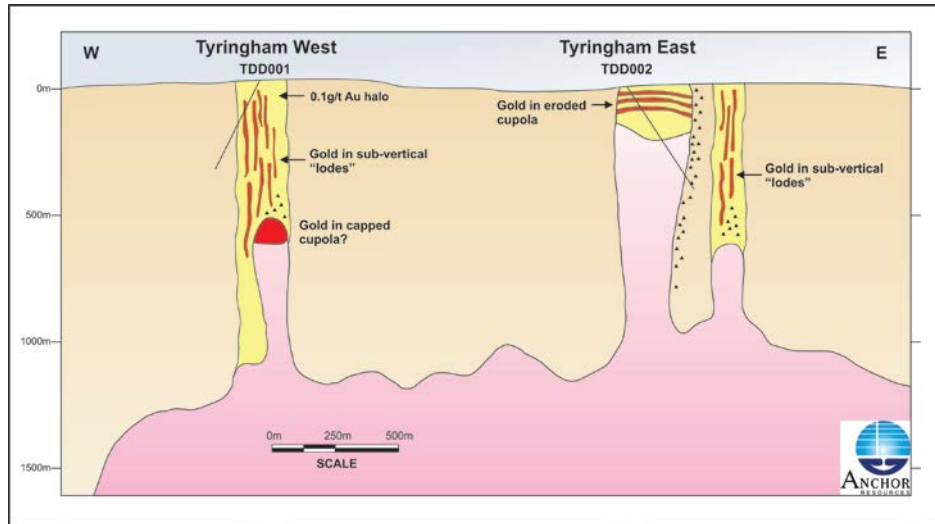
The Intrusion Related Gold System mineral deposit model has been recognised and described over the past 15 years. The Intrusion Related Gold System model is characterised by a wide range of mineralisation styles that vary in a predictable manner in concentric zones outward from a central mineralising intrusion. The most characteristic type of mineralisation associated with Intrusion Related Gold System deposits are intrusion-hosted sheeted quartz gold bearing vein arrays, such as those at the Fort Knox mine, Alaska.

At the Blicks Project, the Tyringham gold prospect consists of two spatially separate soil geochemical gold anomalies known as Tyringham West and Tyringham East centred 1.7km apart. These gold bearing systems occur within a corridor of anomalous gold geochemistry extending for up to 6km long and 1km wide. At least three gold mineralised centres are currently known within this corridor.

Two deep diamond core holes have been completed by Anchor on the project, one into each of the Tyringham gold anomalies. Progressive results have been previously reported in ASX releases dated 3 February 2012 and 6 March 2012, and the March 2012 Quarterly Activities Report to the ASX dated 24 April 2012.

In both holes multiple, long intervals of low grade gold mineralisation are associated with complex vein arrays, together with anomalous bismuth and tungsten geochemistry, and low sulphur values. The style of gold mineralisation, associated geochemical indicator elements, host rock association,

and tectonic setting support the geological model for reduced Intrusion Related Gold System mineralisation at Tyringham (Figure 2).

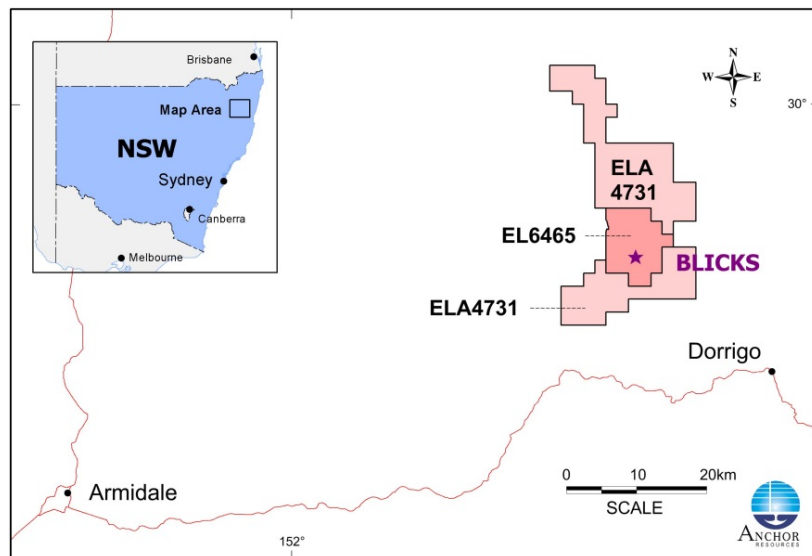


**Figure 2: Tyringham Intrusion Related Gold System conceptual model (section)**

Anchor commissioned Dr Craig Hart, an international expert on Intrusion Related Gold Systems, to carry out a detailed technical review of the Blicks Project in late 2012 and the conceptual geological model developed by Anchor. Dr Hart has confirmed that the Tyringham mineralised gold system is indeed an Intrusion Related Gold System. Furthermore he identified a number of steps and suggestions for future exploration and Anchor is currently carrying out a work program of ongoing exploration.

A large low grade gold mineralised system is suggested and it is open to the north, south, east and at depth. Work currently underway is directed to the identification of vectors towards locating potentially higher grade gold zones within this system.

Anchor lodged an application for an additional Exploration Licence (ELA 4731) surrounding the existing Blicks tenement (Figure 3) in December 2012 and grant is pending. This exploration licence application covers a number of known gold occurrences.



**Figure 3: Location of EL 6465 and new application EL 4731**

## **Work Program**

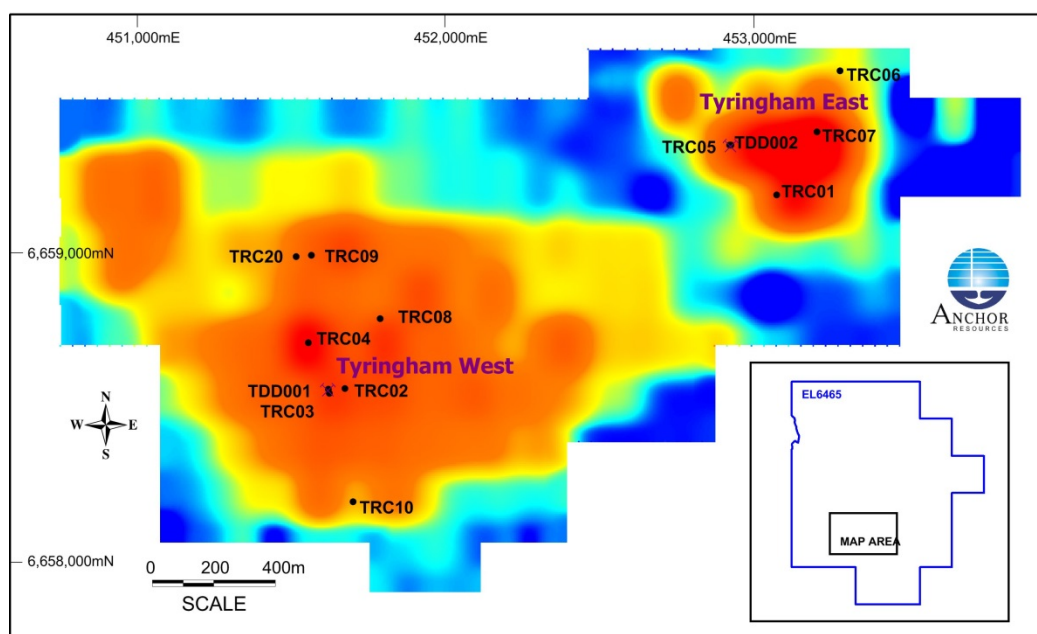
### ***Sheeted vein arrays***

The two diamond drill holes completed by Anchor in late 2011 were subjected to detailed logging and in particular to measuring the orientations of the complex array of veins. Assaying was carried out on half sawn core to nominal core lengths of approximately 1 metre.

With confirmation of the geological model of a sheeted vein array within an Intrusion Related Gold System, selected veins within the remaining half of the split core are now being niche sampled to determine the vein set(s) that contain the greater gold enrichment. This work will provide a better understanding of the mineralising system and identification of the orientation of the gold bearing veins. It will also aid the design of future drill holes.

### ***Soil geochemistry***

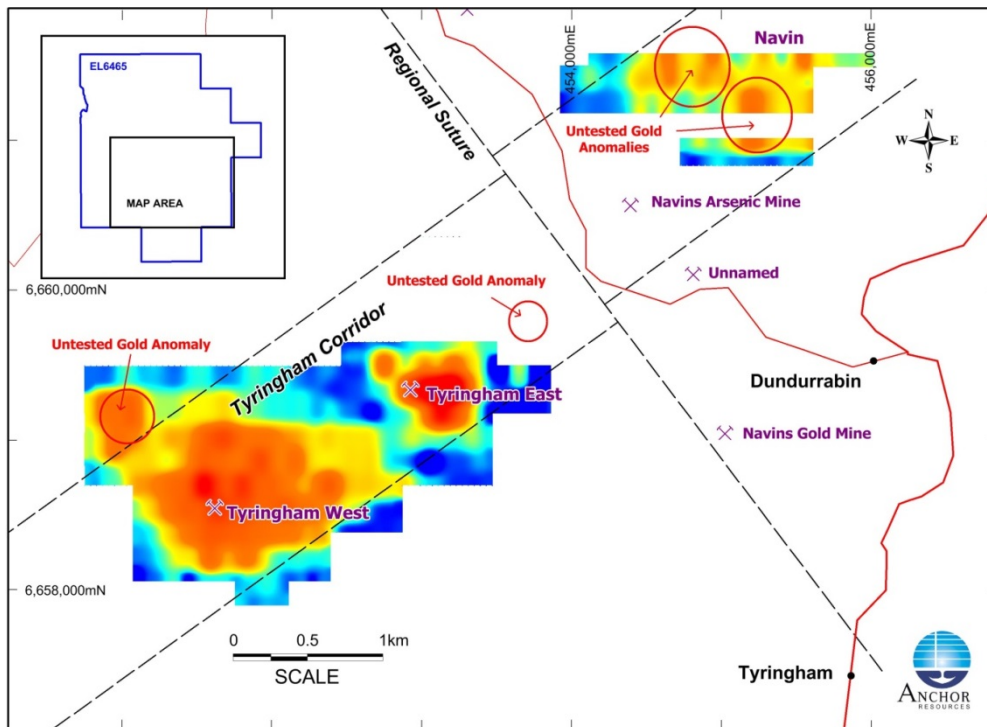
Soil geochemistry over the Tyringham gold anomalies, where drilling has discovered long intervals of low grade gold mineralisation, is a very good indicator for the presence of sub-surface gold (Figure 4).



**Figure 4: Soil gold geochemistry showing location of Tyringham West and Tyringham East gold anomalies**

Anchor has defined a geological corridor of interest ("Tyningham Corridor") based on historical soil geochemistry and additional soil sampling carried out in 2012 by Anchor, as well as a preliminary structural interpretation (Figure 5). Historic soil geochemistry around the old Navin arsenic mine area currently defines the known extent of the corridor to the north-east. The corridor is open to the south-west and north-east.

This corridor had been identified by Anchor as a primary target for exploration.



**Figure 5: Currently defined extent of gold mineralisation within the “Tyringham Corridor”**

A program of soil geochemical sampling commenced in March 2013 to extend the coverage over the known extent of the “Tyringham Corridor”. Samples are being progressively submitted for assay. Soil sampling will continue over the coming months to complete coverage over the corridor (Figure 6).



**Figure 6: “Tyringham Corridor” soil sampling, March 2013**



### ***Geological mapping***

The current geological data for the area consists of 1:250,000 scale mapping published in the early 1970's and detail is limited. Anchor has commissioned geological consultants with significant experience of the New England Fold Belt to compile all available data and prepare an up to date 1:100,000 scale geological map for the area.

This map will be suitable for incorporation into Anchor's recently GIS database. Field mapping in selected areas of high interest will be carried out over the next 6 months to augment the information contained in the new geological map.

### ***Structural interpretation***

A helicopter-borne magnetic survey completed by a previous explorer in the late 1990's is of good quality and covers the main portion of the target area. This data was reprocessed during the Quarter using state of the art geophysical computer software with the aim of providing improved definition of structural features and rock types. The results of this work have been received in mid-April and are being incorporated into the preparation of the geological map for further interpretation. Radiometric data also collected in the earlier geophysical survey will be incorporated into the preparation of the new geological map and enhanced database.

Preliminary interpretation of the reprocessed magnetic data has identified 3 additional areas which have a similar complex fracture density pattern to the Tyringham area. These areas will be followed up to determine their significance for additional gold mineralisation.

A specialist structural geologist has been engaged to carry out a more detailed structural analysis, concentrating initially on the "Tyringham Corridor". This work is expected to be completed in mid-2013.

### ***Age dating***

It is important to understand the geochronology of the rocks in the Tyringham area and in particular the age of the intrusive rocks and gold bearing quartz veins to further support the Intrusion Related Gold System exploration model.

In the coming Quarter samples of selected rocks from the Blicks Project area will be collected and subjected to age dating. Results are expected later in the year.

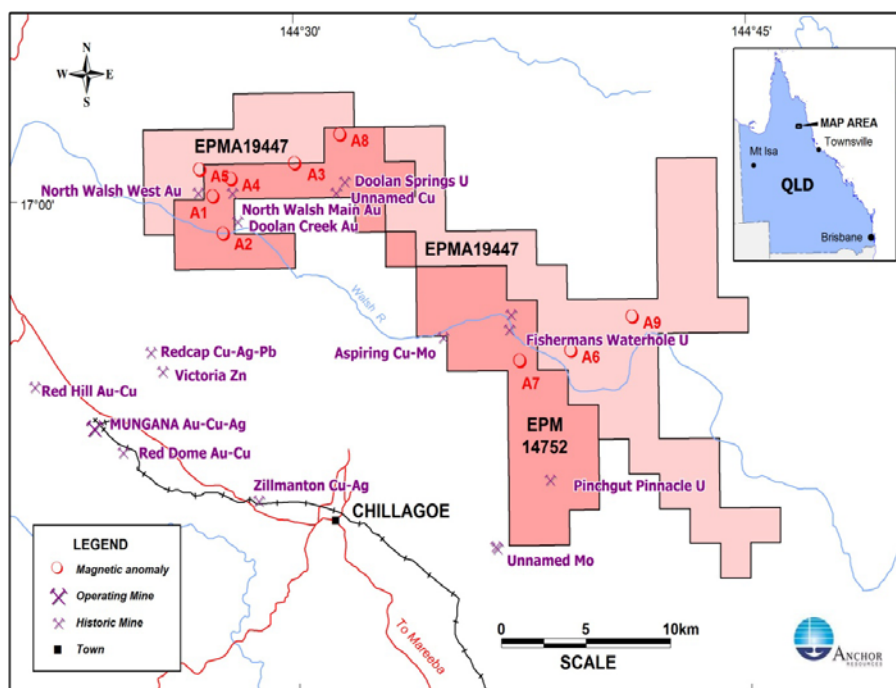
### ***Drilling***

It is expected that the work being carried out during the coming Quarter should provide information with which to locate sites for the next phase of diamond drilling.

### ***Aspiring Project EPM 14752 and EPMA 19447 (Anchor 100%) North Queensland - Gold, silver, base metals (copper, lead, zinc)***

At the Aspiring Project located north and east of Chillagoe in North Queensland, an examination of aeromagnetic data identified a number of magnetic anomalies that closely resemble the magnetic signatures recognised over the Red Dome gold-copper and Mungana gold-copper-silver deposits and other mineralised skarn deposits in the general Chillagoe region. These magnetic anomalies have not been investigated by modern exploration and sometimes display adjacent vein-style mineralisation suggestive of "leakage" mineralisation peripheral to the aeromagnetic anomaly.

An application for additional ground (see EPMA 19447 in Figure 7 below) surrounding the original exploration permit to cover extensions to known mineralisation and other magnetic anomalies of interest has been lodged with the Queensland Department of Natural Resources and Mines (DNRM).



**Figure 7: Existing EPM 14752 and application EPMA 19447**

A drilling program consisted of 8 reverse circulation (RC) holes totalling 1,122 metres designed to evaluate 4 of the highest priority magnetic anomalies and determine the source of the magnetic response was completed during the December 2012 Quarter. The drilling program consisted of a single hole drilled into magnetic anomaly A1, 3 holes drilled into the A2 magnetic anomaly, 2 holes drilled into the A4 magnetic anomaly, and 2 holes drilled into the A5 magnetic anomaly. All holes are considered to have intersected the magnetic target centroid as determined from modelling and hence the magnetic source at each anomaly.

It is concluded the four magnetic anomalies tested by recent RC drilling are not associated with base or precious metal mineralisation. The source of the magnetic anomalies appears to be related to magnetite-bearing rocks such as small mafic intrusions and a flow banded porphyritic rhyolite.

Select samples from zones of higher magnetic susceptibility intersected during the RC drilling program were collected and sent for quantitative magnetic measurement. Results from this work confirm these rocks contain unusually high remanent magnetism attributed to abundant fine grained magnetite. Magnetic susceptibility measurements completed on bagged RC chips during the drilling program were relatively low as these measurements only record the induced magnetic field and not the total magnetic field. This work confirms the source of the magnetic anomalies has been intersected by drilling.

Selected RC chip samples have also been collected for petrology to confirm the host rocks.

Anchor will review its ongoing program at Aspiring during 2013. Further work is required to determine whether the remaining 3 negative remanent magnetic anomalies within EPM 14752 are potentially related to gold and base metal mineralisation.

The Fisherman's Waterhole uranium prospect will now undergo further desk-top detailed assessment.

**Bielsdown Project EL 6388 (Anchor 100%)  
New South Wales - antimony**

The Bielsdown Project (NSW) includes the Bielsdown orogenic antimony deposit. There has been no field work during the Quarter pending resolution of land access matters.

**Birdwood Project EL 6459 (Anchor 100%), Thunderbolts EL 7184 (Anchor 100%) & Munga Projects EL 7185 (Anchor 100%)  
New South Wales - copper and antimony respectively**

No field work was carried out on these projects during the Quarter under review.

Data compilation, including preparation of a GIS database, was carried on for the Birdwood Project.

During the Quarter, reviews of the exploration potential for the Munga Project (EL 7185) and Thunderbolts Project (EL 7184) were completed and concluded that whilst there is the possibility for antimony deposits to be discovered, their likely relative small size and high cost of exploration along with their remoteness from the Bielsdown site did not offer significant encouragement to proceed with further exploration and expenditure.

Munga was offered for renewal but declined and the application withdrawn. The application for renewal of Thunderbolts was also withdrawn.

**Corporate**

Anchor has negotiated an increase in the Finance Facility. The purpose of the Facility is to provide funding to the Company to carry out exploration and ancillary activities.

A Finance Facility was entered into with Jinshunda Group on 1 August 2011. The Facility is for a total of A\$3.5 million at an interest rate of Libor +250 bps per annum with an expiry date of 1 February 2014.

On 26 February 2013 the Finance Facility has been extended to 26 February 2015 and increased by A\$1.5 million to A\$5.0 million with all other terms remaining the same.

Anchor continues to review opportunities for the acquisition of new projects to expand its project portfolio. During the Quarter a number of projects were considered but to date none have been identified that satisfy Anchor's criteria.



**Ian Price  
Managing Director  
Anchor Resources Limited**

**Competent Person Statement**

The information in this report relating to Exploration Results is based on information compiled by Graeme Rabone MAppSc, FAIG. Mr Rabone is Exploration Manager and a fulltime employee of Anchor Resources Limited. He has sufficient experience relevant to the assessment of the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves-The JORC Code". Mr Rabone consents to the information in the report in the form and context in which it appears.



## Appendix 5B

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

**ANCHOR RESOURCES LIMITED**

Quarter ended ("current quarter")

31 March 2013

### Cash flows related to operating activities

		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors		
1.2	Payments for		
	(a) exploration & evaluation	(178)	(855)
	(b) development		
	(c) production		
	(d) administration	(307)	(962)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	6	14
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other		
<b>Net Operating Cash Flows</b>		(479)	(1,803)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	(7)	(16)
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.1	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (security deposit)	16	26
<b>Net investing cash flows</b>		9	10
1.13	Total operating and investing cash flows (carried forward)	(470)	(1,793)

1.13	Total operating and investing cash flows (brought forward)	(470)	(1,793)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	380	1,480
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other - Share issue costs		
	<b>Net financing cash flows</b>	380	1,480
	<b>Net increase (decrease) in cash held</b>	(90)	(313)
1.2	Cash at beginning of quarter/year to date	377	600
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	287	287

**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	181
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

Directors fees, salaries, and consulting fees on normal terms and conditions.

**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

## 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

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**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		
Loan facility with China Shandong Jinshunda Group	5,000	3,580
3.2 Credit standby arrangements	Nil	Nil

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	160
4.2 Development	Nil
4.3 Production	Nil
4.4 Administration	200
<b>Total</b>	<b>360</b>

**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	22	5
5.2 Deposits at call	265	262
5.3 Bank overdraft	-	-
5.4 Other (bills receivable and bank accepted bills)	-	110
<b>Total: cash at end of quarter (item 1.22)</b>	<b>287</b>	<b>377</b>

**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	Nil			
6.2 Interests in mining tenements acquired or increased	EL 7184 EL 7185	Beneficial Beneficial	100% 100%	Nil Nil

**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	Amount paid up per security (see note 3)
7.1 <b>Preference securities</b> (description)	Nil			
7.2 Changes during quarter	Nil			
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>Ordinary securities</b>	52,535,296	52,535,296		
7.4 Changes during quarter	Nil			
(a) Increases through issues - exercise of options				
(b) Decreases through returns of capital, buy-backs				
7.5 <b>Convertible debt securities</b> (description)	Nil			
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)			Exercise price	Expiry date
- Unquoted Options (ESOP)	1,155,000	Nil	\$0.38	11 Nov 2013
- Unquoted Options (ESOP)	275,000	Nil	\$0.38	22 May 2013
- Unquoted Options (ESOP)	20,000	Nil	\$0.25	27 Sep 2014
7.8 Issued during quarter				
- Unquoted Options (ESOP)	Nil	Nil		
7.9 Exercised during quarter				
- Unquoted Options (ESOP)	Nil	Nil		
7.10 Expired during quarter	Nil	Nil		
7.11 <b>Debentures</b> (totals only)	Nil			
7.12 <b>Unsecured notes</b> (totals only)	Nil			

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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date:

24-Apr-13

(Director/Company Secretary)

Print name: Grahame Clegg

## 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 tenement, 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.