



ANCHOR RESOURCES LIMITED

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ASX/MEDIA RELEASE

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New antimony targets enhance portfolio

Anchor Resources Ltd (ASX code: AHR) is pleased to announce that it has been granted two new exploration licences (ELs) over areas with significant historical antimony production in northeastern New South Wales.

Two Exploration Licences (Figure 2) have been granted to Anchor (100%), by the NSW Department of Primary Industries, covering two old antimony producing areas. These licences, to be known as the Thunderbolts and Munga Projects, are highly prospective for primary antimony mineralisation.

The antimony focus has returned to the New England region of New South Wales over recent years as Straits Resources has commenced production at its Hillgrove underground antimony-gold mine. Commissioning of the plant neared completion at the end of June 2008, according to the latest Straits quarterly report, with the first ingot of antimony metal smelted in early July.

Anchor's belief in the long term prospects for the antimony market is supported by continuing strength in global antimony prices. While prices for the base metal complex have retreated from recent highs, antimony prices have pushed further upwards in recent weeks to around US\$6,500/t. This compares favourably with recent prices for (1) copper = US\$7,600/t; (2) zinc = US\$1,800/t; and (3) lead = US\$1,900/t. Figure 1 shows the strengthening price history for antimony over the past ten years.

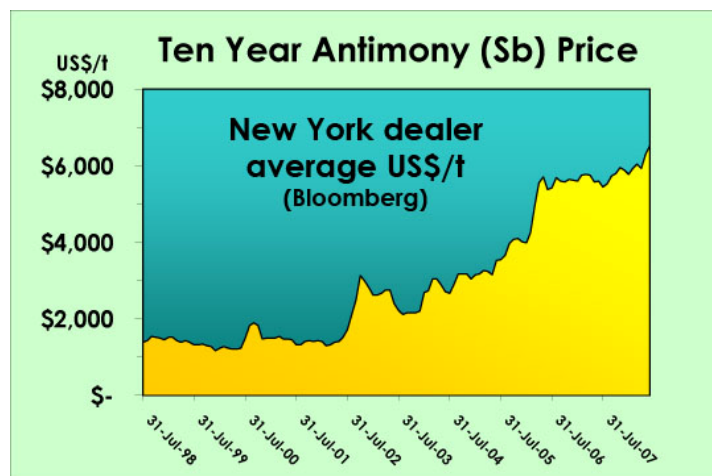


Figure 1 Antimony price history – past ten years

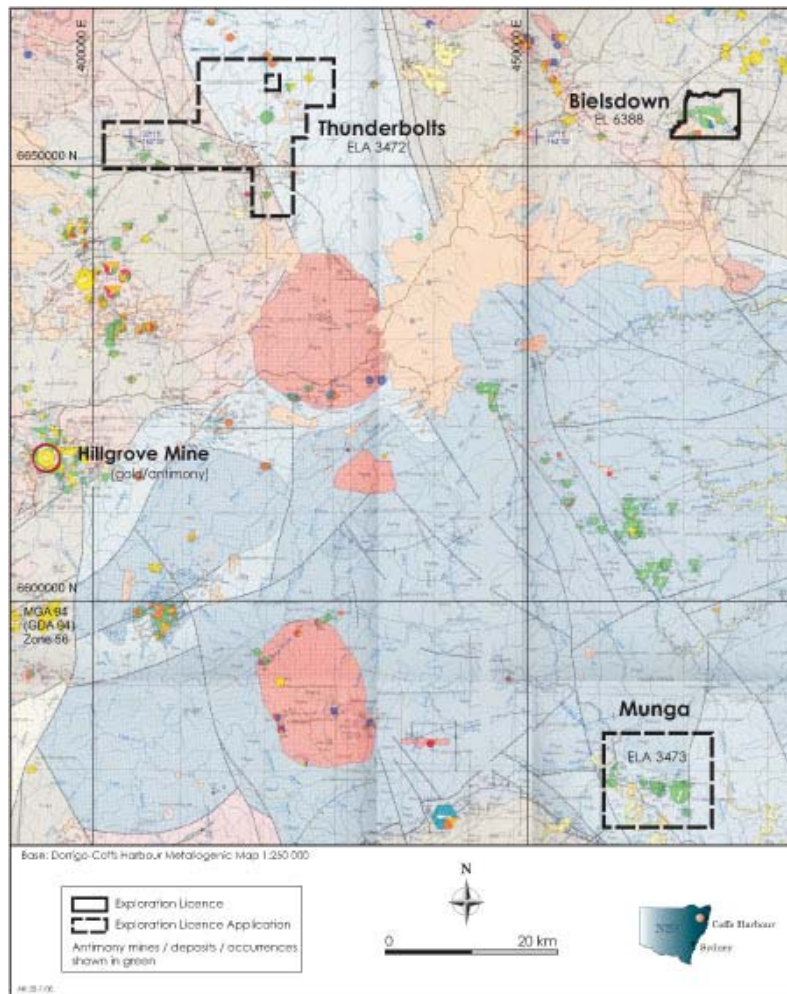


Figure 2 Location of Anchor's Bielsdown, Munga and Thunderbolts antimony projects

Note: Applications (ELAs) have now been granted by the NSW DPI

The **Thunderbolts Project (EL 7184)** is located 40km to the north-northeast of the Hillgrove mine (Figure 2) or 95 km west of Coffs Harbour. The old Magword antimony mine is contained within this project. The vein/shear filling stibnite mineralisation was mined historically via underground shafts and adits with high antimony grades being achieved. Reports indicate that production between 1941-1969 was over 3,000t of antimony, with average grades around 20.5% Sb. An initial review of the exploration history indicates there has been very little exploration conducted in the area since 1972.

Other historic workings and deposits within the tenement area include the Allingham, Rock Abbey/Magdell, Abroi, Tregaire North, Sugarloaf and Antimony Gully antimony deposits, as well as the Faulkners gold deposit.



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The **Munga Project (EL 7185)** is located 80km to the southeast of the Hillgrove mine (Figure 2) or 75 km south-southwest of Coffs Harbour. The Munga Creek antimony district contains 23 known antimony deposits scattered along the length of the application area, most of which consist of historical workings. The Munga Creek deposit was mined in two phases between 1879-1884 and 1970-1974 and was a high producer of antimony in the New England. Over 1,100 tonnes of antimony metal in concentrates were shipped from this mine alone.

Other deposits in the district include Neill and Taylors prospect, Star of Hope, Bolts Reef, Victoria Adit, Q47 shaft, Decline adit, Junction adit and Rowes prospect. The deposits are aligned along an easterly trend and are vein type deposits of quartz and stibnite, with breccia features commonly observed.

These two new projects enhance the strength of Anchor's antimony portfolio which already boasts the significant antimony resource at the 100% owned **Bielsdown Project** (Figure 2). Anchor has already defined a JORC compliant (indicated and inferred) resource of 459,000t at 3.0% antimony (~14,000t contained Sb) at its Bielsdown deposit.

What is antimony?

Stibnite (Sb_2S_3) is the main ore mineral of the element antimony (Sb). Antimony ores are beneficiated and processed into antimony metal or oxide. Antimony mine production is concentrated very heavily in China (85 % of world output in 2006). Antimony is primarily used as an enhancer of flame retardants or a hardening and strengthening agent for lead and zinc alloys. These alloys are used in lead storage batteries, solder, sheet and pipe metal, bearings, castings, type-metal, ammunition and pewter, particularly for use in wet-cell batteries.

Managing Director, Trevor Woolfe, commented ***"With the addition of these new areas, Anchor is well placed to take advantage of the strength in global antimony prices and the metal's positive market outlook resulting from increased Chinese demand."***

For further information contact Anchor Resources Limited in Sydney on **02 9279 1231**.

Yours sincerely

ANCHOR RESOURCES LIMITED

Trevor Woolfe
Managing Director

Anchor Resources (ASX code: AHR) is an expanding Sydney based mineral exploration company with projects located in New South Wales and Queensland, providing exposure to commodities including gold, antimony, copper, and uranium.



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Declaration and JORC Compliance: The information in this report relating to Exploration Results is based on information compiled by Trevor Woolfe BSc(Hons), MAusIMM, MAICD. Mr Woolfe is Managing Director and consultant to Anchor Resources Limited. Mr Woolfe has sufficient experience relevant to the assessment of this style of mineralisation 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 Woolfe consents to the inclusion of the information in the report in the form and context in which it appears.



Note: Applications have now been granted by the NSW DPI