



ANCHOR RESOURCES LIMITED

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ASX/MEDIA RELEASE
Wednesday, 20 APRIL 2011

Update on Unsolicited Takeover Offer

CONTINUE TO REJECT

Anchor Resources Ltd (ASX code: AHR) wishes to provide shareholders with a further update on the status of the unsolicited takeover offer from China Shandong Jinshunda Group Co Ltd (**Jinshunda**) through its wholly owned Australian subsidiary Sunstar Capital Pty Ltd.

On 19 April 2011, Jinshunda announced that, amongst other things:

- The offer is now unconditional;
- The offer is scheduled to close on Thursday, 5th May 2011;
- Jinshunda ***“does not propose”*** to further extend its offer; and
- If, from the 19th April 2011 Jinshunda increases its voting power in Anchor by at least 25% (from 10.46% to 35.46%) before the close of its offer, then its offer would be increased to \$0.305 per share.

Your Board reaffirms its recommendation that shareholders **REJECT** the Jinshunda offer as it currently stands and continue to firmly believe that the Jinshunda offer undervalues the strategic value of your shareholding in Anchor. Shareholders should be aware that if they accept the offer they will be unable to withdraw their acceptance even if a higher offer emerges from another bidder.

Your Board is seeking clarity from Jinshunda with respect to the exact meaning of certain terms of its revised offer and what implications they have for shareholders. Furthermore, Jinshunda has only achieved voting power in Anchor of approximately 10.46% in the four months since announcing the offer, of which only around 1% has come from acceptances into their offer¹. Given this, there can be no guarantee that shareholders will receive the increased consideration under the revised Jinshunda offer.

Your Board continues to pursue alternate transaction opportunities and believe that the outlook for the resource sector and Anchor is bright. We are committed to delivering the potential value of Anchor's assets, including the Company's flagship Bielsdown antimony project, for the benefit of all shareholders.

¹ Based on Jinshunda's last substantial shareholder notice lodged with ASX dated 7 April 2011.



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Further Information

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Detailed information on the Company can be found at www.anchorresources.com.au

***Declaration:** The information in this report relating to exploration results is based on information compiled by Grant Craighead BSc), MAusIMM. Mr Craighead is the Chief Executive Officer of Anchor Resources Limited. Mr Craighead 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 Craighead consents to the inclusion of the information in the report in the form and context in which it appears.*

Any forward looking statements included in this document involve subjective judgement and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and maybe unknown to, Anchor. In particular, they speak only as of the date of this document, they assume the success of Anchor's strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties and risks. Actual future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based.