



**Anchor Resources Limited**  
(ASX code: AHR)

# Wild Cattle Creek Antimony Project

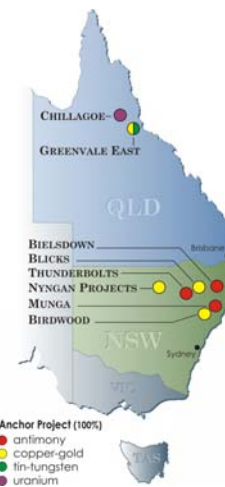
*Melbourne Resources Round-up*

*September 2010*

Trevor Woolfe – Managing Director

## Anchor Resources Strategy

- Pursuing advanced projects with the potential to lead to producer status
- Focus on the emerging Wild Cattle Creek (Bielsdown) antimony deposit
- Also awaiting response to applications for advanced projects in New Caledonia



## Outline of presentation

- Why ANTIMONY?
- The emerging Wild Cattle Creek antimony deposit
- Company info - Anchor Resources Ltd



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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. 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.

## Why Antimony (Sb)?

- Antimony has sex appeal!!
- Antimony is a metal increasing in demand
- Global output up 70% over recent years
- Production is dominated by the Chinese
- Price continues surging to record highs
- Price has leapt 150% in past 18 months

## What is Antimony (Sb)?

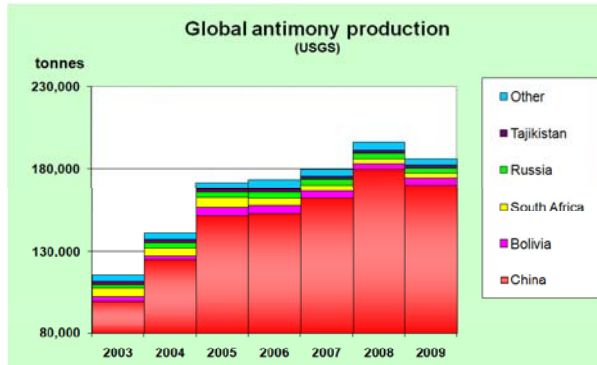
- **Common form**
  - stibnite  $Sb_2S_3$
  - sulphide mineral
- **Dark grey, metallic, non-magnetic, needle-like crystals**
- **Processed ore products include:**
  - concentrates
  - metal ingots
  - antimony trioxide powder



Stibnite needles in quartz

## Global antimony production

- Global output rose almost 70% from 2003 to 2008
- China dominates global production (~91% in 2009 - USGS)
- Remainder of output from high sovereign risk countries
- Increasing supply in response to higher global demand
- 2009 weakness due to Chinese mine closures and GFC



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## Aussie deposits and antimony uses

- Major Australian deposits include:
  - Hillgrove (NSW)** – Straits Resources
  - Costerfield (Vic)** – Mandalay Resources (Canadian-listed)
- **Uses** – fire retardant agent
  - hardening/strengthening agent for lead and zinc alloys
  - lead batteries, ammunition
  - catalyst in PET (plastics) production
  - ceramics



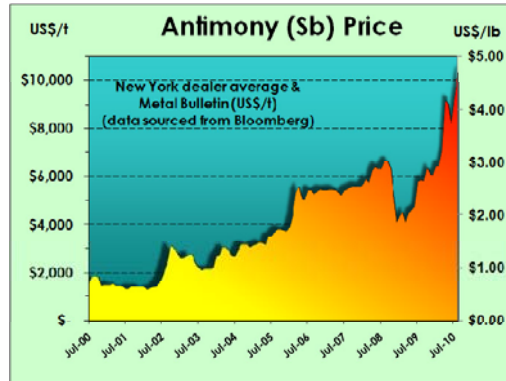
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## Antimony Pricing

- Price surging to record highs
- Sb recently traded at around
  - US\$4.68/lb or US\$10,325/t
- Up 70% already in 2010 !!
- Up 150% in past 18 months
- Rising price factors:
  - Global supply squeeze
  - China
    - cap on domestic production
    - freeze on new mines
    - environmental and safety crackdown
    - forced closure of illegal producers
  - Global economies recovering



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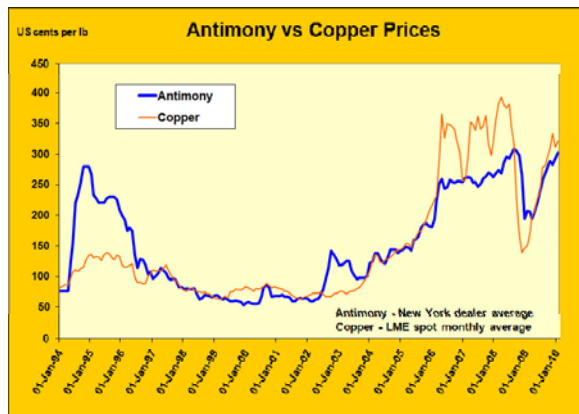
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## Antimony Pricing Comparison

- Sb currently
  - US\$4.68/lb or US\$10,325/t
- Compares to:
 

zinc	US \$0.96/lb
lead	US \$0.98/lb
copper	US \$3.49/lb
- Gold equivalent  
(Au at US\$1,250/oz)
  - 1% Sb = -2.5g/t Au
  - (Recoveries not estimated)



*Comment: Strong historical correlation between absolute copper and antimony prices*

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## Outline of presentation

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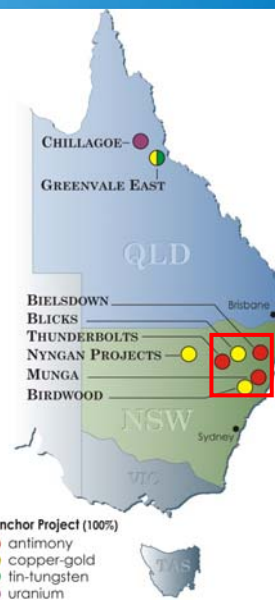
## Tenement Portfolio

### New South Wales

- **Bielsdown** (antimony, gold)
- **Thunderbolts** (antimony)
- **Munga** (antimony)
- **Nyngan Project** (copper, gold)
- **Blicks** (copper, gold)
- **Birdwood** (copper, gold, moly)

### Queensland

- **Greenvale East** (tin, tungsten, gold)
- **Chillagoe Project** (uranium)



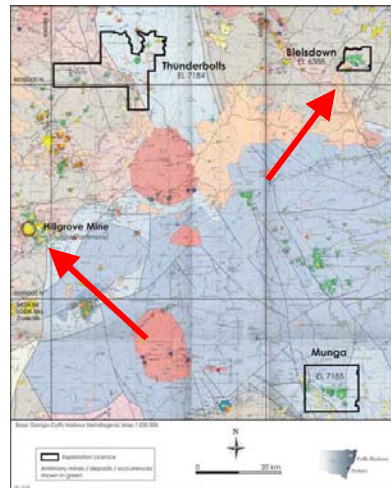
## Antimony in the New England

### Hillgrove Sb-Au mine

- Straits Resources re-commenced mining 2008
- Suspended operations late 2009 (due to significant processing problems after its decision to produce Sb metal rather than concentrates)
- Considering corporate options
- Located ~80km SW of Bielsdown project

### Anchor antimony projects

- Bielsdown (antimony, gold)
- Thunderbolts (antimony)
- Munga (antimony)



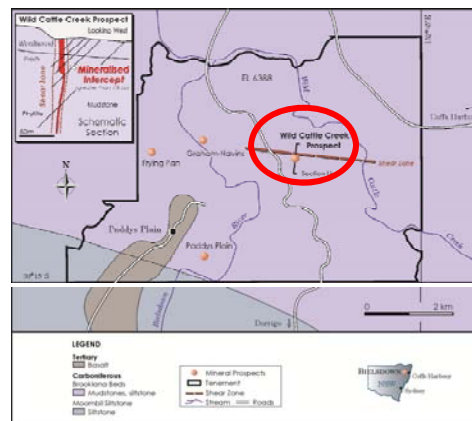
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## Bielsdown project (AHR 100%)

- Focus on old Wild Cattle Creek mine and resource
- Sub-vertical stibnite breccia zone
- Previously drilled : 1960s & 1990s
- Shallow 300m long surface pit
- >300m adit below pit
- Headframe and shaft to 165m
- No evidence of additional u/g development or stoping



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## 2009 drilling – results

Drillhole	From (m)	To (m)	Interval	Antimony (Sb %)	Tungsten (W %)
09WRD01	150.0	161.5	11.5m	2.32	-
(incl.)	156.5	160.7	4.4m	5.00	-
09WDD02	123.0	134.0	11.0m	1.03	0.02
09WDD03	99.0	119.0	20.0m	2.65	-
(incl.)	100.75	104.6	3.85m	10.13	-
	114.0	118.0	4.0m	1.07	0.30
09WRD04	83.0	93.0	10.0m	3.48	0.06
(incl.)	89.0	91.5	2.5m	7.24	-
	99.3	104.4	5.1m	2.79	0.03
(incl.)	99.3	100.2	0.9m	12.70	-
09WRD05	169.0	174.8	5.8m	1.01	-
	177.4	194.0	16.6m	0.88	0.25
09WRD07	170.1	170.4	0.3m	23.70	-
	229.9	234.3	4.4m	3.19	-
(incl.)	231.2	233.3	2.1m	6.23	-
09WRD10	162.6	167.4	4.8m	2.57	-

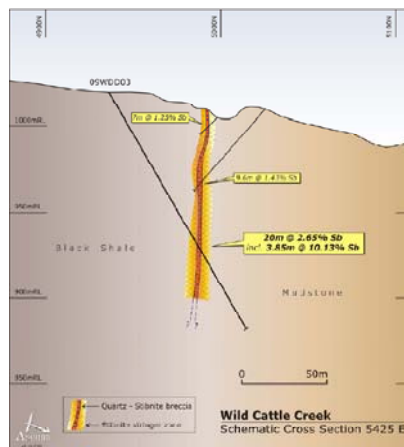
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## Long section – Anchor resource 2009

- 10 holes drilled in 2009 confirmed Anchor's westerly plunging model
- Led to a resource upgrade by SRK Consulting (Nov 2009)
- Deposit remained open down plunge



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## Anchor's 2009 antimony resource

- **Wild Cattle Creek – Inferred JORC Resource (Nov 2009)**

Cutoff Grade (% Sb)	Tonnes (t)	Sb grade (%)	Contained Sb (t)
0.5	880,000	2.0	17,500
<b>1.0</b>	<b>718,000</b>	<b>2.3</b>	<b>16,300</b>
1.5	546,000	2.6	14,100

\*Refer ASX announcement dated 23 November for details on resource (SRK Consulting)

- 3D model and resource only incorporated breccia core zone
- Insufficient data to model peripheral Sb-W-Au stringer zone in 2009
- Mineralisation open down plunge
- Current Sb price US\$10,325/t

## Anchor's 2010 drill program

- Drilled from February to May
  - 12 holes
  - ~2,200m
  - RC with diamond tails
- Tested:
  - extensions down plunge
  - confirm previous results
  - reconnaissance areas

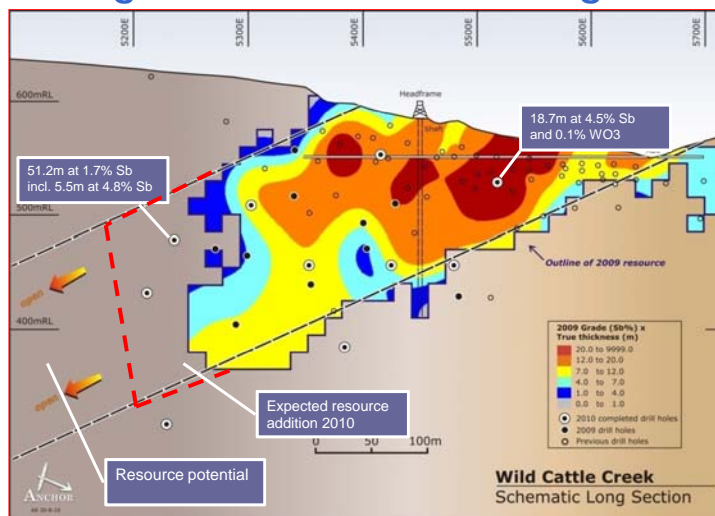


## 2010 drilling – results

Drillhole	From (m)	To (m)	Interval	Antimony (Sb %)	Tungsten (WO, %)	Gold (Au g/t)
10WDD11	39.5	58.2	18.7m	4.46	0.10	0.10
(incl.)	44.6	48.5	3.9m	3.88	0.24	-
	51.4	56.6	5.2m	9.83	-	0.21
10WDD12	36.3	50.4	14.1m	2.31	-	0.22
(incl.)	44.2	48.9	4.7m	4.73	-	0.52
10WDD14	202.4	203.4	1.0m	8.22	-	0.19
10WRD15	154.8	206.0	51.2m	1.69	-	-
(incl.)	174.6	192.6	18.0m	3.27	-	0.29
(incl.)	182.5	188.0	5.5m	4.80	-	0.44
and	189.6	197.3	7.7m	-	0.61	-
10WRD16	134.3	135.7	1.4m	17.07	2.23	-
10WRD16W	133.5	135.5	2.0m	14.45	1.06	-
10WRD17	106	114	8.0m	2.75	-	-
(incl.)	111	114	3.0m	6.14	-	0.60
10WRD19	169.3	171.85	2.6m	1.61	-	1.28
10WRD20	216.3	219.4	3.1m	1.15	-	0.31

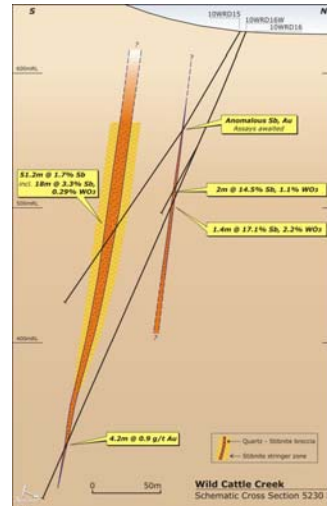
\*\*\* 2010 resource upgrade pending

## Long section – Anchor drilling 2010



## Cross section – New high grade zone 2010

- *New high grade antimony-tungsten zone discovered*
- Parallel to main breccia zone
- 35m north of main zone
  - \* 2.0m at 14.5% Sb & 1.1% WO<sub>3</sub>
  - \* 1.4m at 17.1% Sb & 2.2% WO<sub>3</sub>
- Potential for additional resources
- Open down dip and along strike



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## 2010 results summary

- Mineralised zone was extended down plunge...again
- True widths up to 22m were encountered
  - compares to widths of generally 1-3m at both Hillgrove and Costerfield
- "Twin" holes confirmed and upgraded previous drilling
- New parallel high grade antimony-tungsten zone discovered
- System remains open down plunge

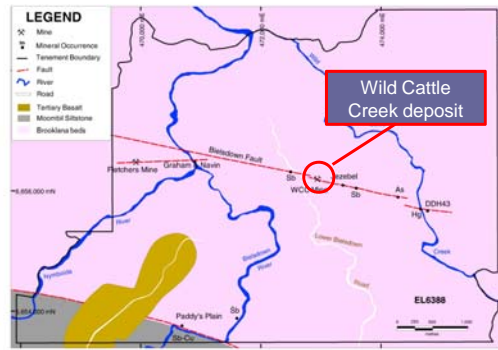
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## Wild Cattle Creek deposit – work program

- Resource upgrade pending
- Metallurgical testwork
- Scoping study due Q4
- Further drilling to expand resource base
  - target 1.5 – 2.0 Mt resource
- Regional reconnaissance along east-west trending host structure >6 km in length
  - antimony to 8.22%
  - gold to 1.63 g/t
  - tungsten to 0.37%



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## Anchor Resources

### Board of Directors

**John Anderson - Chairman**

Has over 30 years experience in the finance sector in banking, investment banking and general consulting. Previously CEO of Admiralty Resources, and various unlisted companies.



**Trevor Woolfe - Managing Director**

Geologist graduated in 1985 (Monash), exploration with Metana, Great Central, Newcrest and later with Placer Dome in Australia, Brazil and Chile. Commodity and resource analyst prior to becoming founding MD of Anchor in 2007.



**Grant Craighead - Executive Director**

Geologist with 17 years in exploration and mining roles, including Chief Geologist – Elders Resources. Later resource analyst with Macquarie and Allianz. Also founder/director of Stock Resource and director of LimeStreet Capital.



**Gary Fallon - Non-executive Director**

Geophysicist with 25 years experience in mineral / coal exploration and mining projects throughout Australia and internationally. Director and principal to Geophysical Resources and Services, a geophysical contracting / consulting company.

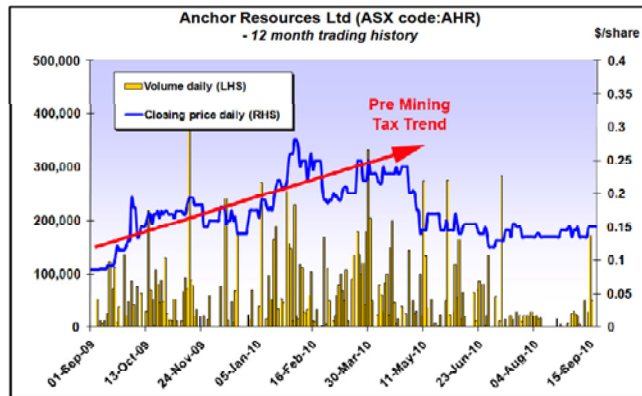


## Company Profile

<b>ASX code:</b>	<b>AHR</b>
<b>Listed on ASX:</b>	<b>July 2007</b>
<b>Issued Share Capital</b>	
ordinary shares	<b>39.3 million</b>
unlisted options	<b>2.3 million</b>
<b>Top 20 shareholders</b>	<b>55%</b>
<b>Directors/Vendors</b>	<b>33%</b>
<b>Market Cap</b> (16 September 2010)	<b>\$6 million</b>
<b>Cash at bank</b> (30 June 2010)	<b>\$0.6 million</b>

***Comment: Tightly held share structure***

## AHR – past 12 months



- \* 12 month range: 8 cents to 28 cents
- \* Uplift from successful resource expansion drilling in 2009 & early 2010
- \* Latest weakness from RSPT and European uncertainty
- \* Effect of latest excellent drill results subdued by these external factors

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## Reasons to invest in Anchor

- The antimony market has real sex appeal !!
- Antimony price hitting new records
- Resource growth story at Wild Cattle Creek
- Resource upgrade/scoping study pending
- Upside from discovery of high grade Sb/W shoot
- Untapped regional exploration upside
- *Anchor – is pursuing advanced project opportunities  
- including recent applications in New Caledonia*
- *Anchor – successful explorer with tight share structure*
- *News flow to increase over coming weeks/months*

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**Thank You**

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