



ANCHOR RESOURCES LIMITED

ABN 49 122 751 419 ACN 122 751 419
Suite 404, 25 Lime St, Sydney NSW 2000
Phone: +61 2 9279 1231 Fax: +61 2 9279 2727
www.anchorresources.com.au

Quarterly Report - September 2008

Report to shareholders for the three months ended 30 September 2008

ASX code: AHR

HIGHLIGHTS

Exploration

- * Drilling at Tyringham intersected large low grade gold mineralisation, with grades up to 4.24g/t gold
- * Access agreement signed with landholders at Bielsdown antimony project
- * New antimony exploration leases granted in NSW (Thunderbolts and Munga)
- * Reconnaissance at Chillagoe uranium project returns positive results

Corporate

- * Continued assessment of advanced project opportunities - domestically and offshore
- * Annual General Meeting confirmed for Friday 14 November in Sydney
- * As at 30 September, Anchor Resources held \$1.72 million in cash and equivalents

Managing Director, Trevor Woolfe, commented that "During the current challenging market conditions, Anchor will minimise direct exploration spending, while focusing on its highest priority assets. In addition, the team will continue to evaluate domestic and international project opportunities with the potential to move the company closer to producer status"



Wild Cattle Creek Antimony Deposit - Stibnite crystals in vein quartz

ANCHOR PROJECTS

Anchor Resources is a diversified explorer with projects targeting copper, gold, uranium, antimony, tin and tungsten.



Figure 1: Anchor Resources Project Locations

NEW SOUTH WALES

Blicks Project (copper-gold-molybdenum)

(EL 6465)

100% Anchor

The Blicks copper-gold project is located in the New England Fold Belt region of northeastern New South Wales (see Figure 1).

During the September quarter activities included:

- Results received from Tyringham drilling;
- Results received from extension of Dundurrabin soil sampling grid
- Soil geochemistry anomalies identified at Dundurrabin;
- Commence rehabilitation of drill sites.

Drilling

Reverse circulation (RC) drilling at the **Tyringham gold prospect** was undertaken at the end of the June quarter, with the program ultimately being shortened due to persistent inclement weather conditions.

Only one hole (TRC20) was completed to a total depth of 205m and tested an IP anomaly over the western extension of gold mineralisation, as identified by previous drilling. The mineralisation in nearby historical drilling (TRC9) includes 42m at 0.38g/t gold and 9m at 0.52g/t gold. The remaining proposed holes will be drilled in 2009.

Results

Drillhole TRC20 intercepted the western extension of mineralisation previously indicated from drillhole TRC9. Silica-chlorite altered metasediments containing quartz-pyrite-pyrrhotite veins were intersected, with gold (Au) grades up to 4.24g/t received over one metre intervals. Unexpectedly, significant zones of tungsten (W) mineralisation were also encountered near the end of the hole, suggesting proximity to an intrusive source. The best intervals are shown in Table 1, below.

Hole	From (m)	To (m)	Width	Au g/t	W ppm	Best 1m interval
TRC20	15	16	1m	0.89		
	50	81	31m	0.37		4.24 g/t Au
	124	134	10m	0.48		1.62 g/t Au
	190	201	11m	0.34		1.46 g/t Au
	194	203	9m		296	710 ppm W

Table 1 Tyringham Drilling – Summary of assay results

Sampling at Tyringham was conducted on a metre by metre basis. Samples were analysed at the ALS Chemex laboratory in Orange for copper, gold, silver, lead, zinc and molybdenum, as well as possible pathfinder elements As, Bi, Co, Fe, Ni, Sb, and W. Gold was analysed by fire assay/AAS (Au-AA25) while the multi-element analyses were done by aqua regia digest (ME-ICP41s). Following the elevated tungsten results, selected intervals were re-tested for tin, tantalum and niobium, with no anomalous results received.

Soil Geochemistry

The 100m x 50m soil sampling grid at the **Dundurrabin copper prospect** was extended to the west and south, to investigate the continuity

of anomalies identified earlier in the year. Soil results received during the September quarter confirm the weakening of the copper anomaly to the west of the WNW-ESE trending Dundurrabin mine line of lode, however it remains open to the east.

A large zone of anomalous soils has been revealed some 500-700m southeast of the Dundurrabin copper mine. The zone, which is around 500 x 500m in extent and open to the southeast, shows coincident anomalies in copper, iron, lead and arsenic with lesser zinc and gold. Preliminary mapping indicates that it corresponds to the contact between a granodiorite body intruding paleozoic metasediments. This zone is being reviewed for further assessment.

Canonba & Collaroy Projects (copper-gold) (ELs 6928 & 6929) 100% Anchor

The Canonba and Collaroy leases are situated in a **corridor of copper-gold mineralisation** to the north and west of Nyngan in northwestern New South Wales (Figure 1). The zone encompasses the Canbelego, Tritton and Girilambone mines, as well as the Larsens copper discovery where decline development is underway by Straits Resources.

During the September quarter activities included:

- Submission to NSW Department of Primary Industries (DPI) for approval of RC

drilling proposal;

- No field work was carried out during the period.

In preparation for RC drilling of a high priority geophysical target on EL 6928 (Canonba project), a proposal was presented to the NSW DPI for approval, subsequent to the end of the September quarter. It is expected that, barring any irregularities, approval for the drilling program will be received before the end of November, at which time Anchor will mobilise a rig to site to commence.

Bielsdown Project (antimony) (EL 6388) 100% Anchor

The Bielsdown antimony project is located in the New England Fold Belt region of northeastern New South Wales (see Figure 1), 12kms north of Dorrigo.

The Wild Cattle Creek antimony deposit at Bielsdown contains a total JORC compliant resource (Indicated and Inferred) of 459,000 tonnes at 3.0% antimony, using a 1.0% cutoff grade, as estimated by Anchor's 2007 resource

study. The study also highlighted the scope for resource expansion by further drilling, both along strike and down dip.

During the September quarter, activities included:

- Signing of a landholder access agreement;
- Detailed examination of the existing surface mine workings and potential drillhole locations;
- Preliminary planning of upcoming infill and extensional drilling.

Anchor made significant advances during the quarter with an initial access agreement completed with the landholders at the old Wild Cattle Creek antimony mine. Anchor personnel were on site during the quarter assessing the abandoned shallow open pit, shaft and surrounds with a view to commencing RC and diamond drilling. The planned drilling will aim to expand the current resource inventory both down dip and along strike.

Antimony Pricing

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 continue to plummet from recent highs, antimony prices have pushed further upwards to end the September quarter on a high of US\$6,790/t, up from US\$5886/t at end 2007. The graph below (Figure 2) shows the price history for antimony over the past ten years.

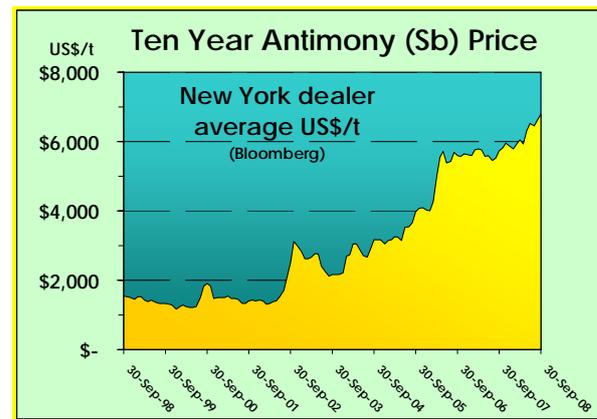


Figure 2 Antimony price history – past ten years

Thunderbolts & Munga (antimony) (ELs 7184/7185) 100% Anchor

Anchor Resources is well placed to take advantage of the strength in global antimony prices, as shown in Figure 2, and the positive market outlook. In addition to the significant JORC compliant antimony resource at Anchor's 100% owned Bielsdown project, the company has locked in two additional areas for prospective antimony exploration in northeast NSW.

The antimony focus has returned to the New England region of New South Wales over the past years as Straits Resources commenced its Demonstration Plant at the Hillgrove underground mine. The mine was officially opened in September 2008, and Straits is now producing both gold bullion (planned for October) and antimony ingots (commenced in September).

Two Exploration Licences (ELs) have recently been awarded to Anchor. These ELs, known as

the Thunderbolts (EL 7184) and Munga (EL 7185) projects (Figure 3), cover old antimony producing areas of northeastern NSW and, as such, are highly prospective for antimony.

During the September quarter, activities included:

- Commencement of research into landholder details, environmental, heritage and native title issues
- Initial landholder communication and access discussions
- Initial field visits to the historic Magword and Munga Creek mining districts

Anchor's technical team carried out the first reconnaissance visits to these areas to commence liaison with local landholders and to undertake preliminary assessment of the main areas of old workings.

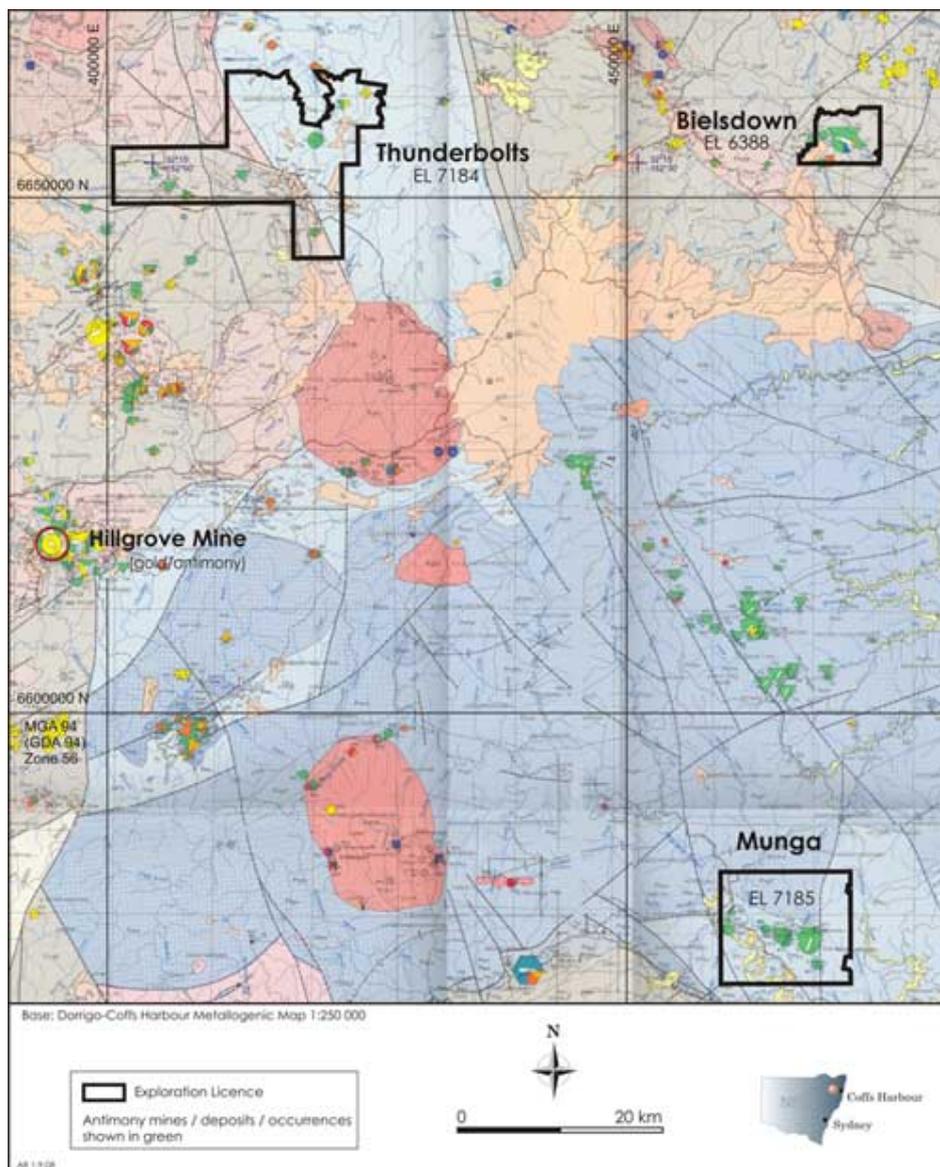


Figure 3 Location of Anchor's Bielsdown, Thunderbolts and Munga antimony projects

The **Thunderbolts Project (EL 7184)** includes the old high grade Magword underground antimony mine. The mine was visited during the quarter, accompanied by the landholder. The mine appears to have been worked until the late 1960s and a number of run-down mine buildings are still in place.

The vein/shear filling stibnite mineralisation is subvertical and cuts into the side of a steep 170m high ravine, where a number of adits have been opened to access the ore. The old shaft and the adits are currently not safe for access. Assessment of the old mine records is being

undertaken with the view to planning a drill program below the workings to assess the remaining resource.

To the west of Magword the small pit at the Antimony Gully prospect was also visited.

The **Munga Project (EL 7185)** includes the Munga Creek antimony deposit, amongst a cluster of at least 23 occurrences, and was mined in two phases between 1879-1884 and 1970-1974. An initial visit was made to local landholders but no actual field work has been undertaken at this stage.

Birdwood Project (copper-gold-molybdenum) (EL 6459) 100% Anchor

The Birdwood copper-gold-molybdenum project is located in the New England Fold Belt region of northeastern New South Wales (see Figure 1). Anchor Resources interprets the mineralisation to be related to a complex of intrusions of which the most prospective are not exposed at the surface or in old drill core.

During the September quarter, activities included:

- Completion of a compilation of historical

geochemical sampling;

- No field work was carried out during the period.

A database compilation of historical geochemical sampling (stream sediments, soil sampling and rockchip sampling) was completed during the quarter. This data will be reviewed in conjunction with airborne geophysical data and known geology to refine the targets for follow-up in the second half of 2008.

QUEENSLAND

Greenvale East Project (gold-tin-tungsten) (EPM 14646) 100% Anchor

The Greenvale East gold-tin-tungsten project is located 170km west-northwest of Townsville (Figure 1). The licence contains numerous old workings that have produced modest volumes of tin, tungsten and gold.

In August 2007, Anchor Resources was successful in obtaining a grant from the Queensland Department of Mines and Energy via its "Collaborative Drilling Initiative" in which it will

provide up to \$51,000 of funding, towards drilling the Clayholes Dam gold prospect. RC drilling was completed in the June quarter.

During the September quarter, activities included:

- All outstanding results from RC drilling at Clayholes Dam were received;
- No field work was carried out this quarter.

Hole	From (m)	To (m)	Width	Au g/t	Ag g/t	Cu ppm	Comments
CDR001	36m	37m	1m	0.52	0.8	101	
	71m	84m	13m	0.06	2.6	1,928	
	156m	163m	7m	0.58	1.0	219	
	198m	199m	1m	0.04	54.8	2,120	2,590 Pb
CDR002	N/S						
CDR003	N/S						
CDR004	74m	80m	6m	<0.01	0.5	1,050	
	157m	162m	5m	0.61	40.4	283	149ppm Sn & 2,404ppm Pb
	182m	183m	1m	0.54	1.4	391	
CDR005	88m	93	5m	0.25	0.1	68	
CDR006	83m	84m	1m	0.53	0.2	51	
CDR007	N/S						

Table 2 Clayholes Dam Drilling – Summary of assay results (N/S = no significant results)

Results

The final results were received during the quarter, thus completing the results for the full Clayholes Dam drill program, as shown in Table 2.

A new zone of gold and copper mineralisation has been discovered at Clayholes Dam. Significant gold and copper results were received from holes CDR001 and CDR004 (Table 2) in the north of the prospect area.

Best intersections included 7m at 0.6g/t gold, 5m at 0.51g/t gold, 13m at 0.2% copper and 6m at 0.1% copper. Elevated assays were also received for silver (up to 69g/t), tin (up to 505ppm) and lead (up to 0.4%).

The relationship between the two mineralised holes is shown below, displaying the distribution of copper (Cu) and gold (Au) intervals.

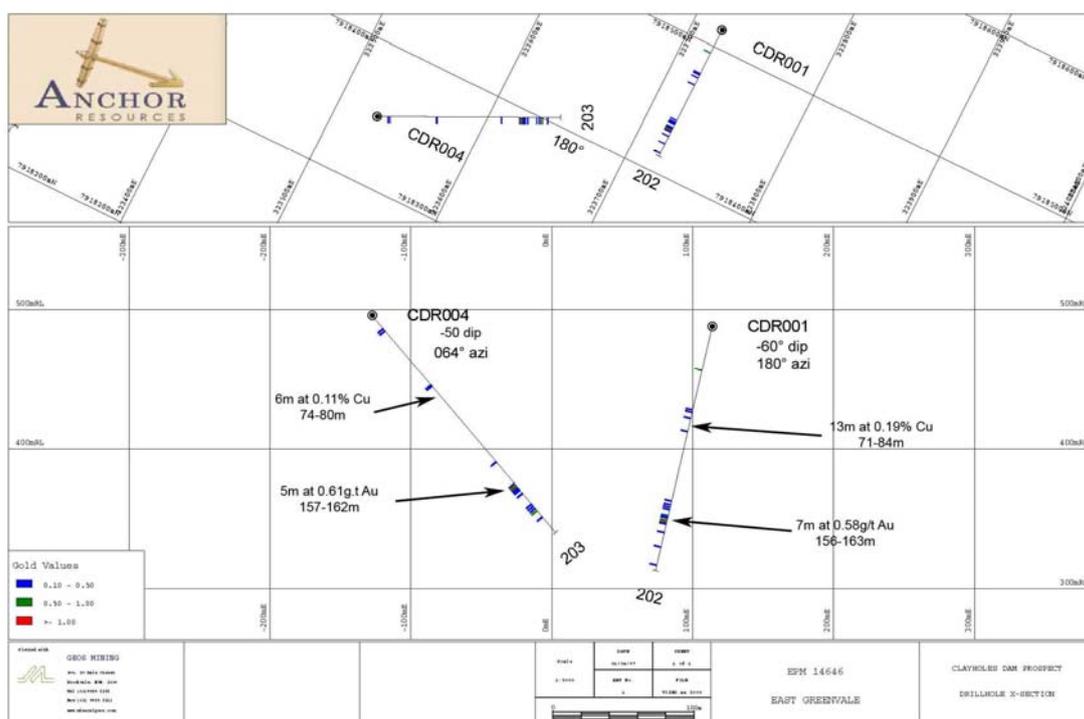


Figure 4: Clayholes Dam: Cross section through CDR001 and CDR004

Chillagoe Uranium Project (uranium) (EPM 14752/15631/15987) 100% Anchor

The Chillagoe Uranium Project comprises the Aspiring (EPM 14752), Featherbeds (EPM 15631) and Hot Springs (EPM 15987) projects located to the north and east of Chillagoe (Figure 1).

The Chillagoe Uranium Project is in a highly prospective volcanic terrain for uranium mineralisation. Exploration since the late 1970s produced encouraging results in several areas. In particular, hot water springs are depositing

radium (Ra) in the vicinity of Fishermans Waterhole. Also at Pinchgut Pinnacle, supergene uranium minerals have been identified at the surface.

The Featherbeds Volcanic Cauldron Complex is thought to have high prospectivity for uranium (U) of the U-molybdenum-fluorite deposit type. This deposit type is well known globally with

Quarterly Report September 2008

significant local examples including Ben Lomond and Maureen, also in Queensland.

During the September quarter, activities included:

- Helicopter-borne reconnaissance program over the three EPMs;
- Stream sediment sampling of the Aspiring project;
- Hand-held XRF and scintillometer testing of target areas;
- Multi-element analysis of selected samples.

Aspiring Project

Soil sampling at the **Pinchgut Pinnacle** prospect has highlighted a zone to the northwest of the

Pinchgut Granite with encouraging scintillometer readings. While the absolute uranium readings were variable, the area stood out by its elevated U:Th ratios, which ranged from 0.4 up to a peak of 36. Further follow up work is required to ascertain the full significance of these readings.

Other areas of interest were noted at Doolans Creek Springs and the T12 target.

Hot Springs Project

Molybdenum from one particular breccia rockchip sample at the **T6 target** reached an anomalous 62ppm, with associated antimony at 127ppm and uranium at 10.75ppm, well above the surrounding background. Just 50m away at T6, another sample of vein material returned 134ppm molybdenum, 83ppm antimony and 11.6ppm uranium. A more detailed follow up program is warranted at the T6 target to investigate this zone.

CORPORATE REVIEW

During the September quarter and in subsequent weeks, with global financial markets experiencing historic falls, Anchor has continued to evaluate **project opportunities**, both within Australia and offshore, with the potential to move the company closer to producer status.

In addition, in this climate, Anchor will be continually assessing its portfolio and all possible options to advance exploration programs of current projects while minimising the direct cost to the company.

The company's **Annual General Meeting** has now been set for Friday 14 November 2008, at 10:00am and will be held at The Rugby Club, Rugby Place, off 31a Pitt St, Sydney 2000.

The Anchor Resources Ltd **Annual Report** has been released and is available for download from the company website or as a hard copy by contacting the company directly.

As at 30 September, Anchor Resources held **\$1.72 million in cash** and equivalents.

Corporate Information

Board Members

John Anderson	Chairman
Trevor Woolfe	Managing Director
Grant Craighead	Executive Director
Gary Fallon	Non-executive Director
Ross Moller	Company Secretary

Registered and Principal Office

ABN 49 122 751 419

Suite 404, 25 Lime Street
Sydney, NSW, Australia 2000

Telephone: +61 (0)2 9279 1231
Fax: +61 (0)2 9279 2727
Email: info@anchorresources.com.au
Website: www.anchorresources.com.au

Share Registry

Registries Limited
Level 7, 207 Kent St
Sydney, NSW, Australia 2000

Telephone: +61 (0)2 9290 9600
Fax: +61 (0)2 9279 0664
Website: www.registries.com.au

Stock Exchange Listing

Ordinary shares ASX code: AHR
Options (expiry 31/3/10) ASX code: AHRO

Issued Share Capital

At 30 September 2008, issued capital was:
30,680,000 ordinary shares
15,304,688 listed options
1,650,000 unlisted options

Major Shareholders (at 30 September 2008)

Fallon Nominees Pty Ltd	7.83%
Gage Resources Pty Ltd	7.39%
Tropo Resources Pty Ltd	5.79%
St Jude Exploration Pty Ltd	5.05%
Eastmin Pty Ltd	3.91%
Rossdale Superannuation Fund Pty Ltd	1.63%

Quarterly Price Activity

AHR - Ordinary shares
High: 9.5 cents
Low: 7 cents
Last (8/10/08): 8.9 cents

AHRO - Options expiring 31/3/10
High: 1.1 cents
Low: 1.1 cents
Last (5/08/08): 1.1 cents

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.*

Date released: 23 October 2008

For further information contact Trevor Woolfe on 02 9279 1231 or by email to:

trevorw@anchorresources.com.au

An electronic version of this report, and further company details, are available at:

www.anchorresources.com.au