

This document is important and requires your immediate attention. You should read this document in its entirety. If you are in any doubt about how to deal with this document, you should contact your financial, legal or other professional adviser as soon as possible.

Bidder's Statement

ACCEPT THE OFFER

by

Phoenix Bridge International Holdings Group
Investment Co., Limited

to acquire all of your ordinary shares in

Anchor Resources Limited

ACN 122 751 419

for A\$0.02 cash per Anchor Shares
(subject to the terms and conditions of the Offer)

This Offer is dated 11 March 2019 and will close at 7:00pm (AEDT)
on 11 April 2019, unless extended or withdrawn

Legal Adviser



KEY DATES

Offer opens 11 March 2019

Offer closes (unless extended or withdrawn) 11 April 2019

KEY CONTACTS

Share registrar for the Offer:
Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Offer Information Line:

- 1300 737 760 (for callers within Australia); or
- +61 2 9290 9600 (for callers outside Australia),

which is available from Monday to Friday between 8.30am and 5.30pm (AEDT). Calls to this number may be recorded.

IMPORTANT NOTICES

This Bidder's Statement is issued by Phoenix Bridge International Holdings Group Investment Co., Limited (**Phoenix Bridge**), a company incorporated under the laws of Hong Kong with company number 2102499.

This Bidder's Statement is issued under Part 6.5 of Chapter 6 of the Corporations Act and sets out certain disclosures required by the Corporations Act together with the terms of the Offer.

This Bidder's Statement is dated 8 March 2019 and includes an Offer dated 11 March 2019 on the terms set out in Appendices 1 and 2 of this Bidder's Statement. A copy of this Bidder's Statement was lodged with ASIC and ASX on 8 March 2019. None of ASIC, ASX nor any of their officers takes any responsibility for the content of this Bidder's Statement.

DEFINED TERMS

A number of defined terms are used in this Bidder's Statement. Unless capitalised words are defined in section 8 of this Bidder's Statement, the contrary intention appears, or the context requires otherwise, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

INVESTMENT DECISIONS

This Bidder's Statement does not take into account the individual objectives, financial or tax situation or particular needs of each Anchor Shareholder or any other person. Before making a decision as to whether or not to accept the Offer, you are encouraged to consult with your financial, legal or other professional adviser.

FORWARD LOOKING STATEMENTS

Some of the statements appearing in this Bidder's Statement are in the nature of forward looking statements, including statements of intention, opinion and belief and predictions as to possible future events. Such statements are not statements of fact and are subject to inherent risks and uncertainties (both known and unknown) which may or may not be within the control of Phoenix Bridge. You can identify these statements by words such as "aim", "believe", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "positioned", "should", "target" and other similar expressions that are predictions or indicative of future events and trends.

Although Phoenix Bridge believes that the expectations reflected by the forward looking statements in this Bidder's Statement (including the assumptions on which they are based) are reasonable as at the date of this Bidder's Statement, no assurance can be given that such expectations or assumptions will prove to be correct. Actual outcomes, events or results may differ – possibly to a material extent – from the outcomes, events or results expressed or implied in any forward looking statement in this Bidder's Statement. Factors that may cause such differences include risks specific to the industry in which the members of the Anchor Group or the members of the Phoenix Bridge Group operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in financial markets. You are cautioned not to place undue reliance on any forward looking statement.

None of Phoenix Bridge, its Related Bodies Corporate or their respective directors, officers or employees, nor any person named in this Bidder's Statement or other person involved in the preparation of this Bidder's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement. Phoenix Bridge does not intend to publicly update or revise such statements to reflect new or changes in circumstances arising after the date of this Bidder's Statement except to the extent required by the Corporations Act.

INFORMATION REGARDING ANCHOR

None of the information in this Bidder's Statement concerning Anchor, the Anchor Group or Anchor Shares has been verified by Anchor nor independently verified by Phoenix Bridge. Accordingly, subject to the Corporations Act, Phoenix Bridge does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information. To the extent any other information in this Bidder's Statement incorporates or reflects information on Anchor, the Anchor Group or Anchor Shares, that information is subject to the same disclaimer.

The information in this Bidder's Statement regarding Anchor should not be considered comprehensive. The Corporations Act requires Anchor to provide a Target's Statement to Shareholders in response to this Bidder's Statement. Further information relating to Anchor, the Anchor Group and Anchor Shares may be included in Anchor's Target Statement.

NOTICE TO ANCHOR SHAREHOLDERS IN FOREIGN JURISDICTIONS

The distribution of this Bidder's Statement in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this Bidder's Statement or the Acceptance Form in a jurisdiction outside Australia should seek advice on and observe any such restrictions. Failure to comply with such restrictions may constitute a violation of law. This Bidder's Statement does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

PRIVACY

Phoenix Bridge has collected information from the Anchor Share Register and Anchor Option Register that may be "personal information" for the purposes of the *Privacy Act 1988* (Cth) (**Privacy Act**). The personal information collected include your full name, contact details and information on your shareholding and/or optionholding in Anchor. The Acceptance Form accompanying this Bidder's Statement may require you to provide additional personal information depending on how you wish to receive the consideration payable for Your Sale Shares (if any), including your bank account details. Without this information, Phoenix Bridge would be hindered in its ability to carry out the Offer. In particular, if you do not provide the information required on the Acceptance Form, Phoenix Bridge may not be able to accept or process your acceptance of the Offer.

The personal information contemplated above have been or are being collected for the purpose of making and implementing this Offer and, if accepted, administering your acceptance of the Offer. If, upon completion of the Offer, Phoenix Bridge becomes entitled under sections 661A and/or 664A of the Corporations Act to compulsorily acquire those Anchor Shares that it has not acquired pursuant to the Offer and/or all Anchor Options that remain outstanding as at the relevant time (**Compulsory Acquisition**), or Phoenix Bridge is required under sections 662A, 663A and/or 665A of the Corporations Act to buy all Anchor Shares that were not the subject of a valid acceptance of the Offer and all Anchor Options that remain outstanding as at the relevant time (**Compulsory Buy-Out**), the personal information may also be used for the purpose of implementing and administering such Compulsory Acquisition or Compulsory Buy-Out.

The personal information may be disclosed on a confidential basis to Phoenix Bridge's officers, employees, agents, contractors, third party service providers (such as the Share Registry) (collectively, **Collecting Parties**). The types of agents and service providers that may be provided with your personal information and the circumstances in which such information may be shared include:

- the Share Registry for the administration and implementation of the Offer, acceptances of the Offer and, if applicable, Compulsory Acquisition and/or Compulsory Buy-Out;
- printers and mail houses for the purpose of preparing, distributing and mailing statements and other communications; and

- legal advisers and other professional advisers for the purpose of advising on the Phoenix Bridge Group's rights and obligations with respect to the Offer, Compulsory Acquisition, Compulsory Buy-Out and associated actions.

The collection and management of your personal information will be conducted in accordance with the Privacy Act, which governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information.

If the Collecting Parties are obliged to do so by law, your personal information will be passed on to other parties in accordance with legal requirements. Once personal information is no longer needed for Phoenix Bridge's records, the Collecting Parties will destroy or de-identify it.

By submitting an Acceptance Form or otherwise accepting the Offer in accordance with the terms set out in Appendix 1, you agree that the Collecting Parties may:

- hold and use any information on your Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, Phoenix Bridge, other members of the Phoenix Bridge Group, their respective officers, employees, agents, contractors, third party service providers (including printers, mailing houses) and professional advisers, and to ASX, ASIC and other Public Authorities; and
- disclose your personal information to recipients both in Australia and in other jurisdictions (including the People's Republic of China (Mainland and Hong Kong)) for the purposes set out in this privacy disclosure statement or as otherwise required by law.

You have a right to gain access to the information that the Collecting Parties hold about you subject to certain exemptions under law. A fee may be charged for access. If you wish to make an access request to Phoenix Bridge or the Share Registry, please direct your request to Phoenix Bridge's Privacy Officer at privacy@pbihgroup.com. Access requests must be made in writing.

PHOENIX BRIDGE WEBSITE

Phoenix Bridge maintains a website at <http://www.pbihgroup.cn/index.php/Eng/Cms/Index/index.html>. Information contained in, or otherwise accessible through, that website does not form part of this Bidder's Statement. All references in this Bidder's Statement to that website are for informational purposes only.

CURRENCY AND TIME

Unless otherwise specified in this Bidder's Statement, a reference to a monetary amount is a reference to that amount in Australian dollars and a reference to a time is a reference to Australian Eastern Daylight Time (AEDT).

EXCHANGE RATES

Unless otherwise specified in this Bidder's Statement, foreign currencies have been converted to Australian dollars based on the following exchange rates, being the exchange rate published by the Reserve Bank of Australia as at 7 March 2019:

- RMB¥4.7299:A\$1.00.

ROUNDING ADJUSTMENTS

Some of the numerical figures included in this Bidder's Statement have been subject to rounding adjustments. Accordingly, the numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

TABLE OF CONTENTS

LETTER TO SHAREHOLDERS	5
1. OVERVIEW OF THE OFFER	7
2. WHY YOU SHOULD ACCEPT THE OFFER	14
3. INFORMATION ON PHOENIX BRIDGE	16
4. INFORMATION ON ANCHOR AND ANCHOR SHARES	18
5. INTENTIONS IN RELATION TO ANCHOR	25
6. TAX CONSIDERATIONS	27
7. OTHER MATERIAL INFORMATION	29
8. DEFINITIONS AND INTERPRETATION	31
9. APPROVAL OF BIDDER'S STATEMENT	36
APPENDIX 1 – FORMAL TERMS OF THE OFFER	37
1. The Offer	37
2. Who may accept the Offer	37
3. Consideration	38
4. Offer Period	38
5. How to accept this Offer	39
6. Effect of acceptance	41
7. Payment of consideration	44
8. Conditions of this Offer	47
9. Withdrawal of this Offer	47
10. Variation of this Offer	48
11. Other matters	48
APPENDIX 2 – CONDITIONS OF THE OFFER	49
1. Minimum acceptance	49
2. No regulatory action	49
3. No material adverse change	49
4. No Prescribed Occurrences	50
5. No persons entitled to exercise or exercising rights under certain agreements or instruments	50
6. No material acquisitions, disposals, changes in the conduct of business or dividends	51
7. No litigation on foot or pending	52
CORPORATE DIRECTORY	53

LETTER TO SHAREHOLDERS

Dear Shareholder,

I am pleased to present to you this Offer by Phoenix Bridge International Holdings Group Investment Co., Limited (**Phoenix Bridge**) to acquire all of Your Shares in Anchor Resources Limited ACN 122 751 419 (**Anchor**) for an all-cash price of A\$0.02 per Anchor Share.

We believe this is a very attractive proposition for Anchor Shareholders for the following key reasons:

- The Offer represents a substantial premium to Anchor's historical trading price range, being:
 - a 53.8% premium to the last recorded sale price of Anchor Shares on ASX prior to the date of this Bidder's Statement, being A\$0.013 per Share on 24 August 2018;
 - a 53.8% premium to Anchor's volume weighted average share price for the 30 day period ended 24 August 2018 of A\$0.013; and
 - a 53.8% premium to Anchor's volume weighted average share price for the six months ended 24 August 2018 of A\$0.013.
- The all-cash price offered by Phoenix Bridge will enable Anchor Shareholders that accept the Offer to realise cash value for their Anchor Shares.
- Assuming the Offer is successfully completed, Anchor Shareholders who accept the Offer will be paid expediently for the consideration due to them for their Anchor Shares.
- Trading volumes in Anchor shares are low. As a result, the Offer provides an immediate exit opportunity for Anchor Shareholders from their investment in Anchor.
- Phoenix Bridge's Offer is the only offer currently available for the Shares in Anchor.

About Phoenix Bridge Group

Phoenix Bridge is part of the broader Phoenix Bridge Group, a diversified investment group of companies headquartered in Beijing, China, with investments encompassing, amongst others, mining resources, urban infrastructure, real estate development, laser technology, nanotechnology, medicine, chip technology, and cloud computing. With the principles of "value investment, active investment and long-term investment" at the heart of its investment strategy, the Phoenix Bridge Group makes investments at all stages of the business life cycle, whether start-up, growth or mature stage companies.

The broader transaction

On 8 March 2019, Phoenix Bridge entered into a binding agreement with Anchor's indirect controlling shareholder, China Shandong Jinshunda Group Co. Limited (**JSD**),¹ to acquire all of the debt owing by Anchor to JSD (**Anchor Debt**). The total consideration for the acquisition of this debt is RMB¥17,600,000 (being the equivalent of approximately A\$3,721,009²), which is payable to JSD on completion of the transaction. This consideration represents an approximate 77.91% discount to the face value of the Anchor Debt of A\$15.5 million³ plus accrued interest⁴). Completion of the acquisition of the Anchor Debt is conditional upon Phoenix Bridge making this Offer for all of the Shares in Anchor and acquiring, by the end of the period of the Offer, a Relevant Interest in at least 90% (by number) of all Shares on issue at the time (**Minimum Acceptance Condition**). From Phoenix Bridge's perspective, it is commercially undesirable to acquire the Anchor Debt without also acquiring control of Anchor, and vice versa. From the perspective of Anchor Shareholders, Phoenix Bridge considers that it is also advantageous that it is a condition of acquiring

¹ As at the date of this Bidder's Statement, based on information disclosed to ASX, JSD has a Relevant Interest in 96.5% (by number) of the total number of Anchor Shares on issue, through the Shareholdings registered to its wholly-owned subsidiary, Sunstar Capital and its sole director, Mr Jianguang Wang.

² Based on the exchange rate prevailing on the day before the date of this Bidder's Statement of RMB¥4.7299:A\$1.00.

³ Phoenix Bridge understands that there may have been an undocumented variation of this facility amount. However, Phoenix Bridge is unable to independently verify this variation and understand that the variation is for a de minimis amount, no disclosure as to this variation is or is intended to be made in this Bidder's Statement.

⁴ Based on information disclosed to ASX, the total interest accrued on the Anchor Debt as at 30 June 2018 was A\$1,342,074.

the Anchor Debt that Phoenix Bridge makes a takeover bid for all of the Anchor Shares on issue subject to the Minimum Acceptance Condition, as this relieves minority Anchor Shareholders from exposure to the risk of enforcement action being taken on the Anchor Debt if an event of default were to occur under that facility.

Phoenix Bridge has no intention to free the Offer from the Minimum Acceptance Condition. Accordingly, if the Minimum Acceptance Condition is not satisfied by the end of the Offer Period, neither this Offer nor the acquisition of the Anchor Debt will proceed to completion and Phoenix Bridge will not acquire any Anchor Shares under the Offer. As at the date of this letter, Phoenix Bridge has no Voting Power in Anchor and no Relevant Interest in any Anchor Shares.

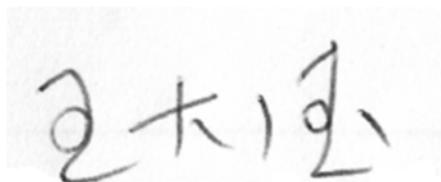
Intentions with respect to the Anchor Group

Phoenix Bridge is generally supportive of the current business strategy adopted by the management of Anchor, and has no current intention to make any substantive changes to its operations. Phoenix Bridge is also supportive of Anchor increasing its operations and as such, proposes to conduct a strategic review of the Group's business and operations for that purpose (see further section 5).

Detailed information in respect of the Offer is set out in this Bidder's Statement. I encourage you to read this Bidder's Statement carefully and hope that you will conclude that the Offer represents excellent value for your Anchor Shares.

To accept the Offer, please follow the instructions in this Bidder's Statement and on your accompanying, personalised Acceptance Form. The Offer is open for you to accept until 7:00pm (AEDT) on 11 April 2019, unless extended in accordance with the Corporations Act.

Yours faithfully

A handwritten signature in black ink, appearing to read '王大德' (Dade Wang), is written on a light-colored background.

Dade Wang

Executive Director, Phoenix Bridge International Holdings Group Investment Co., Limited

1. OVERVIEW OF THE OFFER

This section 1 answers some of the key questions that you may have regarding the Offer, Phoenix Bridge and its intentions with respect to Anchor. The information in this section 1 is intended to be a summary only and should be read in conjunction with the more detailed information set out elsewhere in this Bidder's Statement, including the terms and conditions of the Offer set out in Appendices 1 and 2. You are encouraged to read the Bidder's Statement and the Target's Statement to be provided by Anchor in their entirety, before deciding whether or not to accept the Offer.

Question	Answer	Further information
1. What is the Offer?	<p>Phoenix Bridge is offering to buy all of Your Shares in Anchor for A\$0.02 cash per Anchor Share, pursuant to an off-market takeover offer on the terms and conditions set out in Appendices 1 and 2 of this Bidder's Statement.</p> <p>The Offer relates only to Anchor Shares that exist as at 7:00pm (AEDT) on the Register Date, being 8 March 2019.</p>	Appendices 1 and 2
2. Who is making the Offer?	<p>The Offer is being made by Phoenix Bridge International Holdings Group Investment Co., Limited (Phoenix Bridge), a company registered in Hong Kong with company number 2102499.</p> <p>Phoenix Bridge is part of the broader Phoenix Bridge Group founded and owned by Mr Dade Wang, a diversified investment group of companies headquartered in Beijing, China, with investments encompassing, amongst others, mining resources, urban infrastructure, real estate development, laser technology, nanotechnology, medicine, chip technology, and cloud computing.</p> <p>As at the date of this Bidder's Statement, Phoenix Bridge has no Voting Power in Anchor and no Relevant Interest in any Anchor Shares.</p>	Sections 3.1 and 3.2
3. Why has the Phoenix Bridge made the Offer?	<p>Phoenix Bridge has entered into a binding agreement with Anchor's indirect controlling shareholder, China Shandong Jinshunda Group Co. Limited (JSD),⁵ to acquire all of the debt owing by Anchor to JSD for a total consideration of RMB¥17,600,000 (being the equivalent of approximately A\$3,721,009⁶), payable on completion of the transaction. Completion of the acquisition is conditional upon Phoenix Bridge making this Offer for all of the Shares in Anchor and acquiring, by the end of the period of the Offer, a Relevant Interest in at least 90% (by number) of all Shares on issue at the time.</p> <p>The material terms of the debt acquisition agreement</p>	Section 4.5

⁵ As at the date of this Bidder's Statement, based on information disclosed to ASX, JSD has a Relevant Interest in 96.5% (by number) of the total number of Anchor Shares on issue, through the Shareholdings registered to its wholly-owned subsidiary, Sunstar Capital and its sole director, Mr Jianguang Wang.

⁶ Based on the exchange rate prevailing on the day before the date of this Bidder's Statement of RMB¥4.7299:A\$1.00.

Question	Answer	Further information
	are outlined in Section 4.5.	
4. What are Phoenix Bridge's intentions with respect to the Anchor Group?	Phoenix Bridge is generally supportive of the current business strategy adopted by the management of Anchor, and has no current intention to make any substantive changes to its operations. Phoenix Bridge is also supportive of Anchor increasing its operations and as such, proposes to conduct a strategic review of the Group's business and operations for that purpose.	Section 5
5. How is Phoenix Bridge funding the Offer?	Phoenix Bridge has sufficient existing cash on hand deposited, in Australian dollars, in the solicitors' trust account of its Australian legal advisers, Addisons, with Westpac Banking Corporation, to fund the maximum consideration payable under the Offer (being A\$1,050,705.92, assuming the Offer is accepted in respect of all of the Anchor Shares on issue as at the Register Date). The Offer is not subject to any financing conditions.	Section 3.3
6. Closing date	The Offer closes at 7:00pm (AEDT) on 11 April 2019, unless extended or withdrawn in accordance with the Corporations Act. You will be sent written notice of any extension, where required by the Corporations Act.	Appendix 1, section 4
7. Why should you accept the Offer?	Phoenix Bridge believes that the Offer provides the following key benefits to Anchor Shareholders: <ul style="list-style-type: none"> • Phoenix Bridge's all-cash Offer represents a substantial premium to Anchor's historical trading price; • you will realise cash value for your Anchor Shares; • you will be paid expediently for Your Sale Shares (see question 16 below); • the Offer provides you with an immediate exit opportunity from your investment in Anchor; and • Phoenix Bridge's Offer is the only offer currently available for Your Shares in Anchor. In contrast, if the Offer is not successful and no Superior Proposal emerges: <ul style="list-style-type: none"> • you will continue to hold a relatively illiquid stock in an early stage mineral exploration company whose future performance and 	Section 2

Question	Answer	Further information
----------	--------	---------------------

profitability is still uncertain; and

- Anchor's share price may fall in the absence of a Superior Proposal emerging.

On the other hand, if you choose not to accept the Offer but the Offer nonetheless complete successfully with the result that Phoenix Bridge becomes entitled to compulsorily acquire 100% of all outstanding Anchor Shares that it does not acquire under the Offer (including yours), you may be paid later for your Anchor Shares as compared to those Anchor Shareholders who accept the Offer during the Offer Period (see further question 11 below).

<p>8. Are there any conditions to the Offer?</p>	<p>The completion of the Offer is subject to a number of conditions set out in Appendix 2. In summary, the key Offer Conditions include:</p> <ul style="list-style-type: none"> • minimum acceptance of the Offer by Anchor Shareholders holding 90% (by number) of all Anchor Shares on issue as at the Register Date (Minimum Acceptance Condition); • no regulatory action having been taken in consequence of, or in connection with, the Offer; • no material adverse change having occurred in relation to any member of the Anchor Group; • no Prescribed Occurrences having happened; • no persons exercising or becoming entitled to exercise rights under certain agreements or instruments that a member of the Anchor Group is party to, that may be material in the context of the Anchor Group taken as a whole; • no material acquisition, disposal, liability or change in the conduct of the business of the Anchor Group being undertaken, assumed or announced (as applicable); • no dividends or other distributions being paid, declared or announced; and • no litigation with respect of any member of the Anchor Group being on foot, pending, commenced or threatened. <p>If any Offer Condition has not been fulfilled by the times referred to in Appendix 1, section 6.2, of this Bidder's Statement, and Phoenix Bridge has not declared the Offer (or it has not become) free from those conditions, completion of the Offer will not proceed and all contracts resulting from the acceptance of the Offer will be void.</p> <p>Phoenix Bridge has no intention to free the Offer from the Minimum Acceptance Condition. Accordingly, if the Minimum Acceptance Condition is not satisfied by</p>	<p>Appendix 2</p>
--	--	-------------------

Question	Answer	Further information
	<p>the end of the Offer Period, the Offer will not proceed to completion and Phoenix Bridge will not acquire any Anchor Shares under the Offer.</p>	
<p>9. What is the status of the conditions of the Offer?</p>	<p>As at the date of this Bidder's Statement, Phoenix Bridge is not aware of any events which would result in a breach or inability to satisfy any of the Offer Conditions.</p> <p>A notice of the status of the Offer Conditions will be given to Anchor and ASX on 4 April 2019, unless the Offer is withdrawn or the Offer Period extended before that date.</p>	<p>Appendix 1, section 8.4</p>
<p>10. What choices do you have?</p>	<p>As an Anchor Shareholder, you have the following choices in respect of the Offer:</p> <ul style="list-style-type: none"> • accept the Offer for all of Your Shares in Anchor and receive an all-cash consideration of A\$0.02 for each of Your Sale Shares; • sell Your Shares on-market (unless you have previously accepted the Offer) (see question 13 below); or • do nothing (see question 11 below). 	
<p>11. What happens if you do not accept the Offer?</p>	<p>If you do not accept the Offer, you will remain an Anchor Shareholder and will not receive any payment from Phoenix Bridge.</p> <p>However, if Phoenix Bridge receives, by the end of the Offer Period, acceptances of the Offer in respect of at least 90% (by number) of all Anchor Shares on issue at that time and the Offer is declared (or becomes) otherwise unconditional, Phoenix Bridge intends to proceed to compulsorily acquire all outstanding Anchor Shares that were not the subject of an acceptance of the Offer (including your Shares).</p> <p>If this occurs, you will receive the same consideration for your Anchor Shares at the conclusion of the compulsory acquisition process, as if you had accepted the Offer during the Offer Period. However, you will receive the consideration for your Shares on a later date as compared to Anchor Shareholders who had accepted the Offer during the Offer Period.</p>	
<p>12. Can you accept the Offer for only part of my holding?</p>	<p>No, you are only able to accept the Offer in respect of all (but not some) of Your Shares in Anchor. If you accept this Offer, your acceptance will be treated as acceptance in respect of all of Your Shares.</p>	<p>Appendix 1, section 1</p>

Question	Answer	Further information
13. Can you sell Your Shares on market during the Offer Period?	<p>During the Offer Period, you may sell some or all of Your Shares on market for cash (less brokerage), provided you have not accepted the Offer for those Shares. You should contact your broker for information on how to sell your Shares on market, and your tax adviser to determine the tax implications of such a sale for you.</p> <p>Where you have not accepted the Offer in respect of Your Shares and instead have sold some or all of your Shares on market, the purchaser of those Shares may accept the Offer. In this circumstance, your Shares will trade on a “cum-Offer” basis and in a normal (T+2) settlement process.</p>	
14. How do you accept the Offer?	<p>CHES sponsored shareholders</p> <p>If Your Shares are in a CHES Holding (which will be evidenced by an ‘X’ appearing next to your holder number on your personalised Acceptance Form), you may accept the Offer by either:</p> <ul style="list-style-type: none"> calling your broker and instructing your broker to accept the Offer on your behalf before the end of the Offer Period; or completing and signing the Acceptance Form enclosed with this Bidder’s Statement and returning it to the address indicated on the form so that it is received by Phoenix Bridge in time for Phoenix Bridge to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. <p>Issuer sponsored shareholders</p> <p>If Your Shares are held on Anchor’s issuer sponsored subregister (which will be evidenced by an ‘I’ appearing next to your holder number on your personalised Acceptance Form), you may accept this Offer by completing and signing the Acceptance Form enclosed with this Bidder’s Statement and returning it to the address indicated on the Acceptance Form before the end of the Offer Period.</p> <p>Settlement Participants</p> <p>If you are a Settlement Participant, acceptance of this Offer must be initiated in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.</p>	<p>Full details set out in Appendix 1, section 5</p> <p>Acceptance Form</p>
15. Can you withdraw your acceptance of the Offer?	<p>Once you accept the Offer, you will be unable to revoke your acceptance except in the limited circumstances where a withdrawal right exists or arises under the Corporations Act.</p>	<p>Appendix 1, section 6.1</p>

Question	Answer	Further information
16. When will you be paid for Your Sale Shares?	<p>If the Offer becomes unconditional, Phoenix Bridge commits to pay for Your Sale Shares within seven days after that date (or seven days after you validly accept the Offer, whichever is the later). This means that you will receive the consideration for Your Sale Shares more expediently than the period prescribed by law. The ultimate timing for payment will depend on the date on which the Offer becomes unconditional.</p>	<p>See Appendix 1, section 7.1 and 7.2, for details of the time for payment prescribed by law</p>
17. Stamp duty and brokerage, stamp duty and GST	<p>You will not pay any stamp duty if you accept the Offer. Phoenix Bridge will pay any stamp duty payable in connection with the Offer and the disposal of Your Shares in Anchor pursuant to your acceptance of the Offer.</p> <p>You will not incur any brokerage if Your Shares in Anchor are in an Issuer Sponsored Holding and accept the Offer for Your Shares in the manner detailed in question 14 above.</p> <p>If Your Shares in Anchor are in a CHESS Holding or you hold Your Shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually, your broker) or the bank, custodian or other nominee whether it will charge any transaction fees or service charges connected with you accepting the Offer.</p>	<p>Appendix 1, section 11.2</p>
18. What are the tax consequences of accepting the Offer?	<p>A general summary of the likely Australian tax consequences of disposing of your Anchor Shares by accepting the Offer is set out in section 6. The information in that section is general in nature and does not constitute tax advice. You should consult your professional adviser about the tax implications of accepting the Offer.</p>	<p>Section 6</p>
19. Where if you require more information?	<p>For queries on how to accept the Offer, see the Acceptance Form or call the Offer Information Line on 1300 737 760 for callers within Australia or +61 2 9290 9600 for callers outside Australia. The Offer Information Line will be open from Monday to Friday between 8.30am and 5.30pm (AEDT).</p> <p>Please note that calls to the above numbers may be recorded. Inquiries in relation to the Offer will not be received on any other telephone numbers of Phoenix Bridge or its advisers.</p>	
20. What should you do next?	<p><u>Step 1:</u> Read this Bidder's Statement in its entirety and consider the information provided.</p> <p><u>Step 2:</u> Read the Target's Statement to be provided by Anchor and consider the information provided.</p> <p><u>Step 3:</u> If you have any doubt as to how you should</p>	

Question	Answer	Further information
----------	--------	---------------------

respond to the Offer, consult your financial, legal or other professional adviser.

If you have any questions about the Offer, this Bidder's Statement or how to accept the Offer, call the Offer Information Line on 1300 737 760 for callers within Australia or +61 2 9290 9600 for callers outside Australia, from Monday to Friday between 8.30am and 5.30pm (AEDT). Calls may be recorded.

Step 4: If you wish to accept the Offer, follow the instructions set out in the response to question 14 above and in your personalised Acceptance Form.

2. WHY YOU SHOULD ACCEPT THE OFFER

2.1 Key reasons to accept the Offer

The Offer provides significant benefits for Anchor Shareholders. The key reasons why you should accept Phoenix Bridge's Offer are as follows:

(a) **Phoenix Bridge's all-cash Offer represents a substantial premium to Anchor's historical trading price**

Phoenix Bridge is offering to acquire 100% of Your Shares in Anchor at a price of A\$0.02 cash per Share (**Offer Price**). This represents a compelling opportunity for you to realise value for Your Shares, at a premium and with the certainty of a fixed cash price.

The Offer Price represents a substantial premium to the last recorded sale price of Anchor Shares on ASX prior to the date of this Bidder's Statement and the trading range of Anchor Shares over the preceding six months. Specifically, the Offer Price represents:

- a 53.8% premium to the last recorded sale price of Anchor Shares on ASX of A\$0.013 per Share on 24 August 2018;
- a 53.8% premium to Anchor's volume weighted average share price for the 30 day period ended 24 August 2018 of A\$0.013; and
- a 53.8% premium to Anchor's volume weighted average share price for the six months ended 24 August 2018 of A\$0.013.

(b) **You will realise cash value for Your Sale Shares**

Phoenix Bridge's all-cash Offer gives you an opportunity to promptly realise cash value for all of Your Shares in Anchor in a single transaction, without the need to undertake any additional processes or incur any brokerage or other incidental transaction costs (other than to the extent contemplated in the response to question 17 of section 1 above).

Because you will receive cash for Your Sale Shares, the value that you will receive for accepting the Offer is not subject to fluctuation (as compared to if scrip consideration was offered).

This all-cash Offer provides you with complete flexibility as to how you deploy your net cash consideration, including the ability to reinvest all or part of it, in accordance with your own investment preferences and risk profile and subject to any tax consequences (see section 6 for a general summary of the likely Australian tax consequences of disposing of Your Shares by accepting the Offer).

(c) **You will be paid expediently for Your Sale Shares**

If the Offer becomes unconditional, Phoenix Bridge commits to pay for Your Sale Shares within seven days after that date (or seven days after you validly accept the Offer, whichever is the later). This means that you will receive the consideration for Your Sale Shares more expediently than the period prescribed by law (see Appendix 1, sections 7.1 and 7.2). The ultimate timing for payment will depend on the date on which the Offer becomes unconditional.

(d) **Immediate exit opportunity from your investment in Anchor**

Trading volumes in Anchor Shares are low. As a result, the Offer provides you with a liquidity opportunity and immediate exit from your investment in Anchor.

(e) **Phoenix Bridge's Offer is the only offer currently available for Your Shares**

Phoenix Bridge's Offer is the only offer currently available for Your Shares. As at the date of this Bidder's Statement, Phoenix Bridge is not aware of any other party intending to make an offer for Anchor Shares.

In the absence of the Offer, the opportunity to sell Your Shares for a cash price of A\$0.02 per Share is unlikely to arise given the substantial premium being offered by Phoenix Bridge and the limited public market for Anchor Shares. Accordingly, Phoenix Bridge's Offer provides a liquidity opportunity at a substantial premium.

2.2 Consequences of not accepting the Offer

(a) **Uncertainty as to the future performance of Anchor**

In contrast to the certainty of the cash proceeds that you can receive by accepting the Offer, the future performance of Anchor and Anchor Shares is uncertain.

Anchor is an early stage mineral exploration company. To date, it has operated at a loss and been funded largely through equity capital and loans. The ability of the Anchor Group to generate consistent revenues or profits in the future is subject to a number of factors, including:

- exploration success in relation to its tenements to increase project value; and
- the ability to take projects to the mining stage and develop into a mid-size producing company.

There is no guarantee that Anchor can achieve any of the above outcomes. Further, the extent of the Anchor Group's future profits, if any, and the required to achieve sustained profitability, is uncertain.

If the Offer is not successful and no Superior Proposal emerges, you will continue to hold a relatively illiquid stock in an early stage company whose future performance and profitability is still uncertain.

(b) **Trading volumes are low and Anchor's share price may fall if the Offer is not successful**

The trading volume of Anchor Shares on ASX is low, providing little liquidity to Anchor Shareholders. The last recorded sale price of Anchor Shares on ASX was A\$0.013 per Share on 24 August 2018. The highest traded price for Anchor Shares in the 12 months to 24 August 2018 was \$0.017 per Share on 8 January 2018. Since that date, Anchor Shares have been consistently trading on the ASX at less than A\$0.017 per Share (see further section 4.6(f)).

If the Offer is not successful and no Superior Proposal emerges, the market price of Anchor Shares on ASX may fall or continue to trade on ASX at a price that is less than the price offered by Phoenix Bridge under this Offer of A\$0.02 per Anchor Share).

(c) **You will be paid later for Your Shares if you not accept the Offer but it is nonetheless successfully completed**

If Phoenix Bridge receives, by the end of the Offer Period, acceptances of the Offer in respect of at least 90% (by number) of all Anchor Shares on issue at that time and the Offer is declared (or becomes) otherwise unconditional, it is Phoenix Bridge's intention to compulsorily acquire all other Shares outstanding as at the end of the Offer Period. In these circumstances, if you do not accept the Offer during the Offer Period, you may receive the consideration for Your Shares in Anchor on a later date to those Anchor Shareholders who accept the Offer in respect of their Shares in accordance with the terms of the Offer.

3. INFORMATION ON PHOENIX BRIDGE

3.1 Overview of Phoenix Bridge Group and its principal activities

Phoenix Bridge International Holdings Group Investment Co., Limited (**Phoenix Bridge**) is a company registered in Hong Kong and is part of the broader Phoenix Bridge Group, headquartered in Beijing, China.

The Phoenix Bridge Group is a diversified investment group of companies with a portfolio spanning various sectors, including mining resources, urban infrastructure, real estate development, laser technology, nanotechnology, medicine, chip technology, and cloud computing (amongst others). Since its formation, the Phoenix Bridge Group has adhered to the principles of "value investment, active investment and long-term investment" with its core values encompassing "professionalism, innovation, mutual prosperity and excellence". Investments can occur at all stages of the business life cycle, whether in start-up, growth or mature stage companies.

The Phoenix Bridge Group's main areas of operation and investment as at the date of this Bidder's Statement are:

Mining

The Phoenix Bridge Group has a number of mining investments in China as well as globally. It currently has mines in Gansu and Anhui in China as well as the Lao People's Democratic Republic. Resources mined include gold, copper, antimony and fluorite.

Development and construction

Development and construction is a key industry area for the Phoenix Bridge Group. The Phoenix Bridge Group has a number of Subsidiaries involved in development and construction, and aims to develop high quality, eco-friendly and sustainable projects. The Phoenix Bridge Group has completed the investment, financing, design, construction of numerous projects in China and abroad, including residential buildings, resorts, commercial and retail buildings, schools and urban infrastructure.

Healthcare

The Phoenix Bridge Group is actively involved in investing in the healthcare industry. This includes the development and production of high-end medical equipment, medical diagnostics, research and development and partnering to create a "healthcare town" in Mianyang in the Sichuan province of southwest China with the vision of providing consumers with high-end recuperation and medical services combined with leisure tourism.

Technology and innovation

The Phoenix Bridge Group also prioritises investment in innovative enterprises, particularly small and medium companies that are at the start-up or growth stages. It has invested in a company involved in developing an anti-bacterial nano spray with a variety of uses in hospitals, industrial and commercial applications where a high standard of hygiene is required. Another investment includes the development of an ultra-high resolution microsphere lens optical microscope.

3.2 Ownership of Phoenix Bridge Group

Mr Dade Wang is the 100% owner of the Phoenix Bridge Group, and is the sole director and shareholder of Phoenix Bridge. Mr Wang founded the Phoenix Bridge Group and commenced operations in 2011 undertaking numerous successful ventures and investments across a range of industries. In 2014, Phoenix Bridge was registered in Hong Kong as the holding company for a number of the Group's investments. Under Mr Dade Wang's leadership the Phoenix Bridge Group has grown to be a successful diversified investment group with its portfolio spanning various industries including mining, urban infrastructure, real estate development, laser technology, nanotechnology, medicine, chip technology, and cloud computing.

Prior to establishing the Phoenix Bridge Group, Mr Dade Wang held senior executive roles with large construction groups in China. He was formerly the Vice President at Pan-China Construction Group (**PCCG**) which provides construction, project management, urban development, and design services in Africa, the Middle East, Southeast Asia and elsewhere internationally. He was also previously PCCG's General Manager of the Engineering & Projects Department.

Prior to PCCG, Mr Dade Wang held senior roles with China Construction Second Engineering Bureau Ltd (**CCSEB**), which engages in construction and development activities (including building construction, road and bridge construction, concrete products manufacturing, municipal works construction, steel structure manufacturing and installation, construction design, real estate development and construction machinery manufacturing) in China and internationally. His roles at CCSEB include Division Chief, General Manager of CCSEB's Chongqing subsidiary and Chief Economist of the First Construction Engineering Company Ltd. of China Construction Second Engineering Bureau Ltd, another subsidiary of CCSEB.

Mr Dade Wang holds a Bachelor Degree in Civil Engineering from Chongqing Institute of Architecture and Engineering.

3.3 **Funding of the Offer**

(a) **Maximum consideration payable under Offer**

The maximum amount that Phoenix Bridge would be required to pay to Anchor Shareholders if during the Offer Period it received acceptances of the Offer in respect of all Anchor Shares on issue as at the Register Date, is A\$1,050,705.92 (**Maximum Cash Consideration**).

(b) **Source of funding**

Phoenix Bridge will fund the Maximum Cash Consideration from existing cash on hand deposited, in Australian dollars, in the solicitors' trust account of its Australian legal advisers, Addisons, with Westpac Banking Corporation.

In aggregate, the amount of funds available to Phoenix Bridge from Addisons' trust account materially exceeds the Maximum Cash Consideration and all associated transaction costs, and have been earmarked for use in paying the consideration due to Anchor Shareholders pursuant to their acceptance of the Offer and the costs associated with the making and implementation of the Offer.

(c) **Payment of cash consideration**

Having regard to the matters set out above, Phoenix Bridge is of the opinion that it has a reasonable basis for forming, and it holds, the view that it will be able to pay the Maximum Cash Consideration required for the acquisition of Anchor Shares pursuant to the Offer.

(d) **Offer not subject to financing conditions**

The Offer is not subject to any financing conditions.

3.4 **Further information**

Further information about the Phoenix Bridge Group is available from its website at <http://www.pbihgroup.cn/index.php/Eng/Cms/Index/index.html>.

4. INFORMATION ON ANCHOR AND ANCHOR SHARES

4.1 Disclaimer

The information contained in this Bidder Statement in relation to the Anchor Group should not be considered comprehensive. The information contained in this section 4 has been prepared based on publicly available information which has not been verified by Anchor nor independently verified by Phoenix Bridge. Phoenix Bridge makes no representation or warranty, express or implied, as to the accuracy or completeness of such information.

4.2 Overview of Anchor and its principal activities

Anchor is a mineral explorer with a diversified portfolio of highly prospective projects located throughout New South Wales and Queensland. Exploration has been in progress since 2005. Anchor holds nine exploration licenses in NSW and holds an exploration permit for minerals in Queensland. In addition, Anchor is actively looking to expand its exploration tenement portfolio in the Cobar Basin.

Anchor's projects are prospective for important mineral commodities including gold, copper, lead, zinc, antimony, molybdenum and tungsten. Anchor holds, either directly or through its wholly owned subsidiaries, 100% interest in each of its projects tabled below:

Project Name	Nature of Interest	Tenements Held and Holder
Cobar Project Basin	The Cobar Basin has a long history of mineral discoveries extending from 1869 up to recent times confirming its potential as a world class mineral province prospective for major new discoveries. Cobar-style deposits are high grade, polymetallic mineral systems, viable under a wide range of economic conditions. Anchor is an active explorer in the southern and central Cobar Basin where it has a substantial tenement holding of approximately 1,537 km ² , the third largest in this mineral province.	Scorpio Resources Pty Ltd: <ul style="list-style-type: none">• EL 8398 Cobar Minerals Pty Ltd: <ul style="list-style-type: none">• EL 8723• EL 8724• EL 8725• EL 8743• EL 8795
Blicks Project	The Blicks project is located in the Southern New England Orogen in northeast NSW, 90 km northeast of the major regional centre of Armidale. This is a significant polymetallic mineral district with large, multi-element soil geochemical anomalies associated with a transverse corridor hosting a number of granitoid intrusions of different ages over an area 12 km x 2 km.	Scorpio Resources Pty Ltd: <ul style="list-style-type: none">• EL 6465• EL 8100
Walsh Project River	The Walsh River project is located in the Hodgkinson Province in North Queensland and is within the Chillagoe Mining Field where known porphyry and skarn-related gold-copper-silver mineralisation has a mineral inventory in excess of 3.5 Moz gold, 335,000 tonnes copper and 39 Moz silver.	Sandy Resources Pty Ltd: <ul style="list-style-type: none">• EPM 25958
Bielsdown Project	The Bielsdown project is an antimony project located in the southern segment of	Anchor Resources Limited:

Project Name	Nature of Interest	Tenements Held and Holder
	the New England Orogen in northern New South Wales, 90km northeast of the major regional centre of Armidale. This project contains the Wild Cattle Creek antimony deposit which is a significant antimony resource in Australia.	<ul style="list-style-type: none"> • EL 6388

4.3 Anchor's business strategy and prospects of projects

Anchor's strategy is to identify mineral properties of high potential in which specific prospects can be advanced in a cost effective manner. The past year has seen advancement in the exploration activities conducted at each of Anchor's key project locations, and targets for a broad range of mineralisation. The prospects of each project, as reported by Anchor in its periodic announcements to ASX, are as follows:

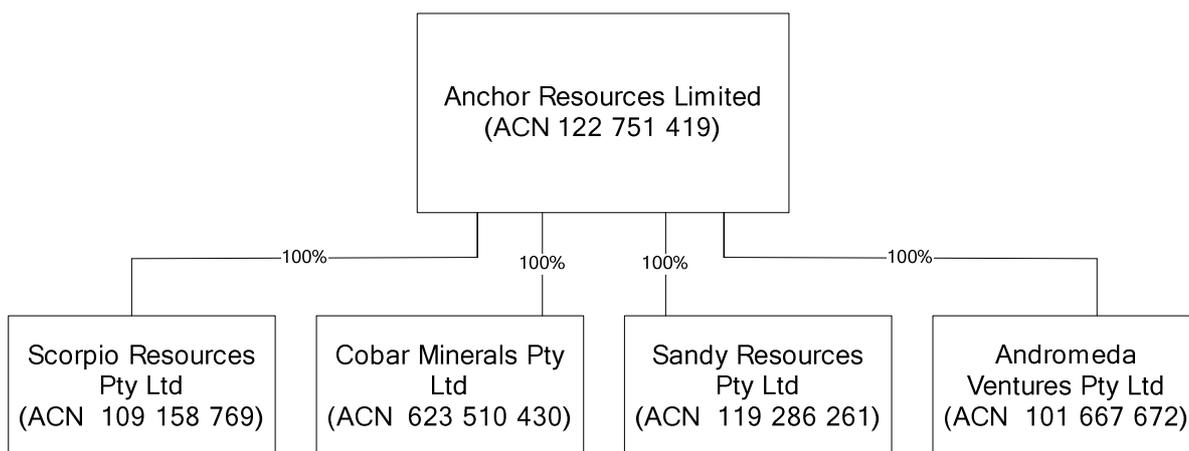
- (a) Anchor's exploration work at the Blicks project has identified a previously unknown intrusion-related gold mineral field. This is centred on the Tyringham gold prospect and three nearby, newly discovered, extensive areas of granite-related metal mineralisation known as the *Tuting* prospect (molybdenum-tungsten), *Liberty* prospect (copper-molybdenum) and *Navin* prospect (arsenic + copper gold-tin).
- (b) From the work performed at the Walsh River Project in 2018, Anchor has identified epithermal gold-silver mineralisation in the Flurospar area. Epithermal gold-silver deposits are often found in regions of porphyry gold-copper mineralisation where they form an upper level continuum of porphyry systems. Exploration within Walsh River is focused on low sulphidation epithermal gold systems in the recently discovered Flurospar epithermal gold camp, and granite-related polymetallic-gold mineralisation.
- (c) The Cobar Basin Project covers a number of significant recent polymetallic deposit discoveries surrounding the Mirrabooka prospect as a prime target for further exploration. A geophysical IP survey confirmed Anchor's re-interpretation of historic exploration results at the *Blue Mountain* prospect and has identified it as prospective for a Cobar-type shear hosted deposit of zinc, lead and copper. The *Jaguar* prospect and *Cypress* prospect have also been identified for further immediate work.
- (d) In the Bielsdown Project, antimony is considered to be a crucial strategic metal by the European Union. Resources outside China are rare. Potential exists to increase resources through further drilling.

4.4 Structure of the Anchor Group

The Anchor Group is comprised of Anchor, as the ultimate holding company, and four wholly-owned Australian subsidiaries:

- (a) Scorpio Resources Pty Ltd (ACN 109 158 769);
- (b) Cobar Minerals Pty Ltd (ACN 623 510 430);
- (c) Sandy Resources Pty Ltd (ACN 119 286 261); and
- (d) Andromeda Ventures Pty Ltd (ACN 101 667 672).

The corporate structure diagram of the Anchor Group is as follows:



4.5 Loan facility from JSD and proposed assignment to Phoenix Bridge

Anchor has an unsecured revolving loan facility (**Loan Facility**) of A\$15.5 million with its indirect controlling shareholder, China Shandong Jinshunda Group Co. Limited (**JSD**).⁷

This Loan Facility has a repayment date of 30 September 2021 and is to be used to fund Anchor's exploration and ancillary activities. As at the date of this Bidder's Statement, the Loan Facility has been fully drawn and is accruing interest at a variable rate equal to the Commonwealth Government Bond Yield (GSBW21 maturing 21 December 2021) + 250 basis points per annum.

On 8 March 2019, Phoenix Bridge entered into a binding agreement with JSD to acquire all of the debt owing by Anchor to JSD under the Loan Facility (**Anchor Debt**) for a total consideration of RMB¥17,600,000 (being the equivalent of approximately A\$3,721,009⁸). This consideration represents an approximate 77.91% discount to the face value of the Anchor Debt of A\$15.5 million⁹ plus accrued interest.¹⁰

It is a condition precedent to completion of the assignment of the Anchor Debt that Phoenix Bridge:

- (a) makes an off-market takeover bid for all of the Shares in Anchor; and
- (b) acquires, by the end of the Offer Period, a Relevant Interest in at least 90% (by number) of all Anchor Shares on issue at that time (**Minimum Acceptance Condition**).

From Phoenix Bridge's perspective, it is commercially undesirable to acquire the Anchor Debt without also acquiring control of Anchor, and vice versa. From the perspective of Anchor Shareholders, Phoenix Bridge considers that it is also advantageous that it is a condition of acquiring the Anchor Debt that Phoenix Bridge makes a takeover bid for all of the Anchor Shares on issue subject to the Minimum Acceptance Condition, as this relieves minority Anchor Shareholders from exposure to the risk of enforcement action being taken on the Anchor Debt if an event of default were to occur under that facility.

Phoenix Bridge has no intention to free the Offer from the Minimum Acceptance Condition. If the Minimum Acceptance Condition is satisfied and the Offer is declared (or becomes) otherwise unconditional, it is proposed that immediately after the close of the Offer:

⁷ As at the date of this Bidder's Statement, based on information disclosed to ASX, JSD has a Relevant Interest in 96.5% (by number) of the total number of Anchor Shares on issue, through the Shareholdings registered to its wholly-owned subsidiary, Sunstar Capital and its sole director, Mr Jianguang Wang.

⁸ Based on the exchange rate prevailing on the day before the date of this Bidder's Statement of RMB¥4.7299:A\$1.00.

⁹ Phoenix Bridge understands that there may have been an undocumented variation of this facility amount. However, Phoenix Bridge is unable to independently verify this variation and understand that the variation is for a de minimis amount, no disclosure as to this variation is or is intended to be made in this Bidder's Statement.

¹⁰ Based on information disclosed to ASX, the total interest accrued on the Anchor Debt as at 30 June 2018 was A\$1,342,074.

- (a) JSD will assign all of its rights under the Loan Facility to Phoenix Bridge, and Phoenix Bridge will assume all of the obligations of JSD to Anchor under the Loan Facility; and
- (b) Phoenix Bridge will pay RMB¥17,600,000 in cash to JSD.

Conversely, if the Minimum Acceptance Condition is not satisfied by the end of the Offer Period, neither this Offer nor the acquisition of the Anchor Debt will proceed to completion and Phoenix Bridge will not acquire any Anchor Shares under the Offer. As at the date of this letter, Phoenix Bridge has no Voting Power in Anchor and no Relevant Interest in any Anchor Shares.

As at the date of this Bidder's Statement, based on information disclosed to ASX, JSD has a Relevant Interest in 96.5% (by number) of the total number of Anchor Shares on issue, through the Shareholdings registered to its wholly-owned subsidiary, Sunstar Capital and its sole director, Mr Jianguang Wang.

If each of Sunstar Capital and Mr Jianguang Wang accept the Offer in respect of their respective Anchor Shares, the Minimum Acceptance Condition will be satisfied.

As at the date of this letter, Phoenix Bridge has no Voting Power in Anchor and no Relevant Interest in any Anchor Shares.

4.6 Information about Anchor Shares and Options

- (a) Capital structure

According to documents provided by Anchor to the ASX, as at the date of this Bidder's Statement, Anchor has on issue:

- (i) 52,535,296 Shares; and
- (ii) 2,500,000 Options, each exercisable into one fully-paid Anchor Share at an exercise price of A\$0.025 on or before 31 October 2020.

Pursuant to this Bidder's Statement, Phoenix Bridge has made an Offer to acquire all of the Anchor Shares on issue as at the date of this Bidder's Statement.

It is the desire and intention of Phoenix Bridge to negotiate the acquisition of all of the Anchor Options from the Optionholders on mutually agreeable terms. However, failing agreement on the transfer to Phoenix Bridge of all of the Options, it is Phoenix Bridge's intention that, if it becomes so entitled under section 664A of the Corporations Act, it will compulsorily acquire all outstanding Options as at the relevant time.

- (b) Substantial shareholders

As at the date of this Bidder's Statement, based on information disclosed to ASX, JSD and its Associates (including Sunstar Capital and its sole director, Mr Jianguang Wang) are the only persons that have a substantial holding of Anchor Shares, with a Relevant Interest in 50,711,165 Anchor Shares and a Voting Power of 96.5% in Anchor.

- (c) Phoenix Bridge's existing interests in Anchor Shares

As at the date of this Bidder's Statement and as at the date of the Offer, Phoenix Bridge has no Relevant Interest in any Anchor Shares, nor any Voting Power in Anchor.

- (d) **Pre-Offer acquisition of Anchor Shares**

During the four months before the commencement of the Offer Period, Phoenix Bridge and its Associates have not acquired, or agreed to acquire, any Anchor Shares.

(e) **Pre-Offer agreements**

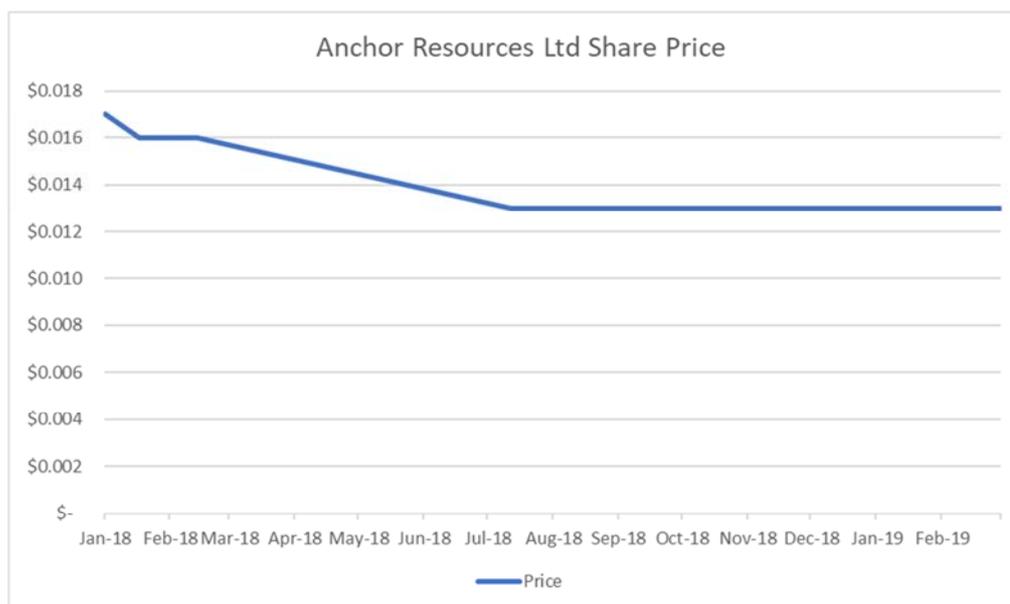
Other than as disclosed in section 4.5, during the period of four months before the date of this Bidder's Statement, neither Phoenix Bridge nor any Associate of Phoenix Bridge gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (i) accept the Offer; or
- (ii) dispose of Anchor Shares,

and which is not offered to all Anchor Shareholders under the Offer.

(f) **Recent share price performance**

The trading volume of Anchor Shares on ASX is low, providing little liquidity to Anchor Shareholders. The last recorded sale price of Anchor Shares on ASX was A\$0.013 per Share on 24 August 2018. The highest traded price for Anchor Shares in the 12 month period ended 24 August 2018 was \$0.017 per Share on 8 January 2018. Since that date, as illustrated in the graph below, Anchor Shares have been consistently trading on the ASX at less than A\$0.017 per Share:



Source: ASX

Below is a table showing all trades of Anchor Shares on ASX from 8 January 2018 to 7 March 2019, being the day before the date of this Bidder's Statement:

Date	Price	Volume
8-Jan-18	\$ 0.017	95,627
24-Jan-18	\$ 0.016	10,000
21-Feb-18	\$ 0.016	30,000
19-Jul-18	\$ 0.013	31,473
16-Aug-18	\$ 0.013	8,527
24-Aug-18	\$ 0.013	4,817

Source: ASX

(g) **Dividend history**

Based on information disclosed to ASX, Anchor has never paid any dividends to Shareholders.

(h) **No escalation agreement**

Neither Phoenix Bridge nor any Associate of Phoenix Bridge has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

4.7 Financial position of the Anchor Group and funding pending completion of Offer

Based on Anchor's Quarterly Report to Shareholders in respect of the quarter ended 31 December 2018, the Anchor Group:

- (a) had existing cash on hand of A\$1,185,000 in total as at 31 December 2018 (down from A\$1,684,000 as at the end of the immediately preceding quarter); and
- (b) estimates cash outflows for the current quarter ending 31 March 2018 at A\$350,000, comprising A\$250,000 in exploration and evaluation costs and A\$100,000 in administrative and corporate overheads.

Based on the above information, Phoenix Bridge believes that the Anchor Group should have sufficient funds readily available to it to sustain its operations until the end of the Offer Period (which is currently scheduled to close on 11 April 2019). However, in the event the Anchor Group's funds are insufficient to cover administrative and corporate overheads pending completion of the Offer and compulsory acquisition of all Anchor Shares that Phoenix Bridge did not acquire under the Offer (see sections 5.2(a) and 5.2(c) for details), Phoenix Bridge is prepared to, subject to the Minimum Acceptance Condition having been satisfied, advance loan funds of up to \$150,000 to Anchor to meet such costs, on terms to be agreed with Anchor.

4.8 Anchor Board and Senior Management

As at the date of this Bidder's Statement, the Anchor Board and senior management team of Anchor are comprised as follows:

- (a) Jianguang Wang (Non-Executive Chairman) has an extensive experience in the mining and iron-making industry in China, giving Mr Wang a unique perspective into the economics and politics of both China and Australia.
- (b) Ian Price (Managing Director) is a mining engineer with over 35 years' experience in mining spanning public company management, mine management, project development and consulting.
- (c) Vaughn Webber (Non-Executive Director) has extensive business experience initially in accounting but more recently has spent most of the last 10 years in corporate finance at a leading Australian stockbroker focussing on creating, funding and executing strategies for mid to small cap, ASX-listed companies.
- (d) Sam Lees (Non-Executive Director) has over 40 years' experience in the minerals industry. A qualified geologist he has worked in all states of Australia as well as Canada, Iran, Zambia, Tanzania, Fiji and Malaysia.
- (e) Guy Robertson (Company Secretary) has over 30 years' of international experience in finance and as a senior executive; this experience includes 16 years in senior roles with the Jardine Matheson Group both in Hong Kong and Australia.
- (f) Graeme Rabone (Exploration Manager) is a successful geologist with over 40 years' continuous experience in mineral exploration, evaluation and mining development of precious and base metal deposits throughout Australia and international experience in Canada, Chile, Mexico, New Caledonia, New Zealand and the United States of America.

4.9 Publicly available information about Anchor

Anchor is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to periodic and continuous reporting and disclosure obligations. Specifically, as a listed company, Anchor is subject to the listing rules of ASX which require continuous disclosure to ASX of any information concerning Anchor that a reasonable person would expect to have a material effect on the price or value of its securities.

Announcements made to ASX by Anchor can be obtained from Anchor announcements platform on ASX's website: www.asx.com.au, using ASX code: "AHR".

In addition, Anchor is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Anchor may be obtained from or inspected at an ASIC office during normal business hours.

Further information about Anchor is available from its website at www.anchorresources.com.

5. INTENTIONS IN RELATION TO ANCHOR

5.1 Introduction

This section 5 sets out the intentions of Phoenix Bridge in relation to Anchor, including:

- the continuation of the business of Anchor;
- any major changes to be made to the business of Anchor, including any redeployment of the fixed assets of Anchor; and
- the future employment of the present employees of Anchor.

The intentions of Phoenix Bridge in this Bidder's Statement have been formed on the basis of facts and information concerning Anchor and the general economic and business environment which were known to Phoenix Bridge at the time this Bidder's Statement was prepared. Final decisions will only be made by Phoenix Bridge in light of material information and circumstances at the relevant time. Accordingly, all of the statements set out in this section 5 and other statements of intention in this Bidder's Statement are statements of current intention only and may vary as new information becomes available or as circumstances change.

5.2 Intentions

(a) Minimum Acceptance Condition

The Offer is conditional upon Phoenix Bridge receiving, by the end of the Offer Period, acceptances of the Offer in respect of at least 90% (by number) of all Anchor Shares on issue at that time (**Minimum Acceptance Condition**).

As mentioned in section 4.5 above, Phoenix has entered into a binding agreement with JSD to acquire all of the debt owing by Anchor to JSD and it is a condition precedent to the completion of that transaction that the Minimum Acceptance Condition is satisfied.

Phoenix Bridge has no intention to free the Offer from the Minimum Acceptance Condition. Accordingly, if the Minimum Acceptance Condition is not satisfied by the end of the Offer Period, the Offer will not proceed to completion and Phoenix Bridge will not acquire any Anchor Shares under the Offer.

(b) Anchor Options

It is the desire and intention of Phoenix Bridge to negotiate the acquisition of all of the Anchor Options on issue from the Optionholders on mutually agreeable terms. However, failing agreement on the transfer to Phoenix Bridge of all of the Options, it is Phoenix Bridge's intention that, if it becomes so entitled under section 664A of the Corporations Act, it will compulsorily acquire all outstanding Options as at the relevant time.

(c) Compulsory acquisition and buy-out of Anchor Shares

Assuming that the Minimum Acceptance Condition is satisfied and the Offer is declared (or becomes) otherwise unconditional, Phoenix Bridge will become entitled, after the close of the Offer, to compulsorily acquire all Anchor Shares that were not the subject of an acceptance of the Offer and all outstanding Anchor Options at that time. If it becomes entitled to do so, Phoenix Bridge intends to exercise its rights of compulsory acquisition and acquire 100% ownership of the Anchor Shares and Options.

If it is required to do so under sections 662A and 663A of the Corporations Act, Phoenix Bridge will also offer to buy all Anchor Shares that were not the subject of a valid acceptance of the Offer, and all Anchor Options that remain outstanding as at the relevant time.

(d) Delisting from ASX

In circumstances where Phoenix Bridge becomes entitled to compulsorily acquire all outstanding Anchor Shares, Phoenix Bridge intends to apply to ASX to remove Anchor from the official list of the ASX.

(e) Anchor operations and assets

Phoenix Bridge is generally supportive of the current business strategy adopted by the management of Anchor and has no current intention to make any substantive changes to its operations.

Phoenix Bridge is also supportive of Anchor increasing its operations. Accordingly, after the end of the Offer Period, it is Phoenix Bridge's intention, as at the date of this Bidder's Statement, to:

- conduct a review of the Anchor Group's tenement portfolio to assess their exploration potential;
- following a review of the tenements, focus exploration activities on those tenements it considers to have higher potential and consider expanding its operations at those locations;
- continue more limited exploration activities at those tenements it considers to have lower potential;
- conduct a general review of the Anchor Group's business and operations, to explore possible in-house functions (such as IT functions and a permanent corporate head office) that can be established to support the operations of the Anchor Group.

As at the date of this Bidder's Statement, Phoenix Bridge has no intention to redeploy the fixed assets of the Anchor Group.

(f) Anchor Board

Assuming that the Minimum Acceptance Condition is satisfied and the Offer is declared (or becomes) otherwise unconditional, it is Phoenix Bridge's intention to:

- retain each of Mr Jianguang Wang, the current non-executive chairman of Anchor, and Mr Ian Price, the current managing director of Anchor, as executive directors on the Anchor Board; and
- replace the remaining non-executive members of the Anchor Board with its own nominees to reflect the change in ownership of Anchor. The identity of Phoenix Bridge's nominees will be determined at the relevant time, although it is expected that Mr Dade Wang, the sole director and shareholder of Phoenix Bridge, will be appointed to the Anchor Board as its non-executive chairman.

(g) Anchor management and employees

Phoenix Bridge is supportive of the current senior management team of the Anchor Group and intends to maintain the status quo of the current workforce (including both existing employees and contractors of the Anchor Group). Subject to the outcomes of its strategic review of the business and operations of the Anchor Group (as referred to in section 5.2(e)), Phoenix Bridge contemplates that it will expand the existing management team and workforce of the Anchor Group.

6. TAX CONSIDERATIONS

6.1 Introduction

The following is a general description of the Australian income tax, GST and stamp duty consequences to Anchor Shareholders of accepting the Offer. The information in this section is not tax advice on which Shareholders can rely and does not take into account individual circumstances of Shareholders. The comments set out below are relevant only to those Shareholders who hold their Shares as capital assets for the purpose of investment. In particular, the information below does not apply to Shareholders who:

- are in the business of trading or dealing in securities, or otherwise hold their Anchor Shares on revenue account or as trading stock;
- acquired their Anchor Shares as the result of an employee share plan or employee share option plan; or
- are non-resident Shareholders who currently hold, or have held at any time, their Anchor Shares through a permanent establishment in Australia.

The following description is based upon the Australian law and administrative practice in effect at the date of this Bidder's Statement, but it is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of every Shareholder. Anchor Shareholders should seek independent professional advice on the tax implications of accepting the Offer having regard to their own particular circumstances.

6.2 Australian resident Shareholders

(a) Disposal of Shares

Shareholders who dispose of their Anchor Shares under the Offer will receive consideration in the form of cash.

The disposal of Anchor Shares will trigger a CGT event for Shareholders, which may give rise to a capital gain or capital loss.

A Shareholder will make a capital gain if the capital proceeds received in return for their Anchor Shares exceed the cost base of their Shares. Conversely, a Shareholder will make a capital loss if the capital proceeds received in return for their Anchor Shares are less than the cost base for their Shares.

The capital proceeds of the CGT event is the consideration price per Share payable under the Offer received by the Shareholder in respect of the disposal of the Anchor Shares. The cost base and reduced cost base of the Shares should generally include their cost of acquisition and certain other costs associated with acquiring, holding and/or disposing of the Shares.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Any net capital gain is included in assessable income and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains subject to the satisfaction of certain loss recoupment tests where applicable.

(b) CGT discount

Resident individuals, complying superannuation entities and trustees that have held their Anchor Shares for at least 12 months but do not index the cost base of those Shares may be entitled to discount the amount of the net capital gain (after application of capital losses) realised from the disposal of Shares by 50% in the case of individuals and trusts, and 33% for complying superannuation entities. Shareholders that are companies are not eligible for this CGT discount.

The discounted CGT provisions may also apply to the capital gains to which beneficiaries in a trust (other than beneficiaries that are companies) are entitled. The CGT provisions applying to trustees and beneficiaries of trusts are complex and you should seek advice from your professional tax adviser in this regard.

6.3 **Non-resident Shareholders**

Any Anchor Shareholders that are not a resident of Australia for income tax purposes will be liable for any capital gain arising on the disposal of their Anchor Shares, if both of the following requirements are satisfied:

- the Shareholder (and any associates, which include holding companies) owned at least 10% (by number) of all Anchor Shares on issue either at the time the relevant Anchor Shares were disposed of or for at least 12 months during the 24 months immediately before the Anchor Shares were disposed of for CGT purposes; and
- 50% or more of the value of Anchor is represented by real property in Australia, including direct and indirect interests in Australian land (such as leases and mining rights).

Any non-resident Anchor Shareholder or resident Anchor Shareholder controlled by non-resident(s) that believes they may satisfy each of the above requirements should seek professional tax advice with respect to the CGT consequences of disposing of their Anchor Shares under the Offer.

6.4 **Goods and services tax**

Anchor Shareholders should not be liable to goods and services tax (**GST**) in respect of the disposal of their Anchor Shares pursuant to the Offer. Anchor Shareholders may be charged GST on the costs they incur in connection with the disposal (e.g. legal, financial and tax adviser fees). Shareholders should seek their own advice to determine whether any GST incurred on costs in relation to the sale of their Anchor Shares is recoverable.

6.5 **Stamp duty**

No liability for stamp duty should arise for Anchor Shareholders under the laws of any State or Territory in Australia in respect of the disposal of their Anchor Shares. Phoenix Bridge will pay all stamp duty payable in connection with the Offer and the disposal of Anchor Shares by Anchor Shareholders pursuant to their acceptance of the Offer.

7. OTHER MATERIAL INFORMATION

7.1 Date for determining holders of Shares

For the purposes of section 633 of the Corporations Act, the date for determining the persons to whom information is to be sent under items 6 and 12 of subsection 633(1) is the Register Date, being 8 March 2019.

7.2 Status of Offer Conditions

As at the date of this Bidder's Statement, Phoenix Bridge is not aware of any events which would result in a breach or inability to satisfy any of the Offer Conditions.

7.3 Withholding of consideration

It is possible that Anchor Shareholders may hold indirect real property interests for the purposes of Australian tax law. In that case, a withholding tax obligation will apply to any consideration due and payable by Phoenix Bridge to Anchor Shareholders pursuant to their acceptance of the Offer. Any Anchor Shareholder that believes they may be affected may apply for a clearance or variation of the withholding amount from the Australian Taxation Office (**ATO**). It is possible that Phoenix Bridge may become aware of other obligations in this regard after the date of this Bidder's Statement, in which case the provisions of section 7.7 of Appendix 1 will apply.

For example, under section 255 of the *Income Tax Assessment Act 1936* (Cth), the ATO may notify Phoenix Bridge that all or part of the consideration otherwise payable under the Offer to Anchor Shareholders who are non-residents of Australia is to be retained by Anchor, or paid to the ATO, instead of being paid to the relevant Anchor Shareholders. Similarly, under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the ATO may require Phoenix Bridge to pay to the ATO all or part of the consideration otherwise payable under the Offer to Anchor Shareholders who owe tax-related debts to the Australian government.

7.4 Consents to be named

This Bidder's Statement contains statements made by, or statements said to be based on statements made by Phoenix Bridge. Phoenix Bridge has consented to the inclusion of each statement it has made, and each statement which is said to be based on a statement it has made, in the form and context in which the statements appear and Phoenix Bridge has not withdrawn that consent as at the date of this Bidder's Statement.

Each of Addisons and Boardroom has given, and not withdrawn before the lodgement of this Bidder's Statement with ASIC, their respective written consent to be named in this Bidder's Statement in the form and context in which they are so named. Neither Addisons nor Boardroom has caused or authorised the issue of this Bidder's Statement, makes or purports to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based or takes any responsibility for any part of this Bidder's Statement other than any reference to its name and any statement in respect of which that party has consented to being included in this Bidder's Statement. To the maximum extent permitted by law, each of Addisons and Boardroom specifically disclaims responsibility for any statement included in this Bidder's Statement other than references to its name and any statement in respect of which that party has consented to being included in this Bidder's Statement.

This Bidder's Statement includes statements which are made in, or based on statements made in, the following documents lodged with ASIC or given to ASX:

Date of document	Name / description of document
26/02/2019	Anchor's ASX announcement: New Base Metals Targets Identified at Cobar Basin Project
29/01/2019	Anchor's ASX announcement: Quarterly Activities Report –

	December 2018
29/01/2019	Anchor's ASX announcement: Quarterly Cashflow Report – December 2018
27/09/2018	Anchor's ASX announcement: 2018 Annual Report to Shareholders

Under the terms of ASIC Class Order [CO 13/521], the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents, containing statements that have been included in the Bidder's Statement or upon which statements in the Bidder's Statement have been made, free of charge, during the Offer Period, please call the Offer Information Line on 1300 737 760 for callers within Australia or +61 2 9290 9600 for callers outside Australia between 8.30am and 5.30pm (AEDT). Requests will be answered within 2 business days of the request being received. Calls to the Offer Information Line may be recorded.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Bidder's Statement contains share price trading data sourced from ASX without its consent

7.5 **Other material information**

Except as disclosed elsewhere in this Bidder's Statement, there is no other material information that is:

- material to the making of a decision by a Shareholder whether or not to accept the Offer; and
- known to Phoenix Bridge, which has not previously been disclosed to Anchor Shareholders.

8. DEFINITIONS AND INTERPRETATION

8.1 Definitions

In this Bidder's Statement (including each Appendix) and in the Acceptance Form, the following terms have the meanings shown below:

Acceptance Form means the acceptance and transfer form enclosed with this Bidder's Statement, which accompanies and forms part of the Offer.

Addisons means Addisons (ABN 55 365 334 124) of Level 12, 60 Carrington Street, Sydney NSW 2000, being the Australian legal advisers to Phoenix Bridge in relation to the Offer.

Anchor means Anchor Resources Limited (ACN 009 134 114).

Anchor Board means the board of directors of Anchor.

Anchor Group means Anchor and each of its Subsidiaries.

Anchor Option or **Option** means an option exercisable or otherwise convertible into an Anchor Share.

Anchor Optionholder or **Optionholder** means a person registered on the Anchor Option Register as a holder of one or more Anchor Options.

Anchor Option Register means the register of optionholders of Anchor maintained by or on behalf of Anchor in accordance with section 168(2) of the Corporations Act.

Anchor Share or **Share** means a fully paid ordinary share in the issued capital of Anchor.

Anchor Shareholder or **Shareholder** means a person registered on the Anchor Share Register as a holder of one or more Anchor Shares.

Anchor Share Register means the register of members of Anchor maintained by or on behalf of Anchor in accordance with section 168(1) of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12(2) of the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement which govern the administration of CHESS.

ATO means the Australian Taxation Office.

Bidder's Statement means this document, being the statement of Phoenix Bridge under Part 6.5, Division 2, of Chapter 6 of the Corporations Act relating to the Offer.

Boardroom means Boardroom Pty Limited (ACN 003 209 836) of Level 12, 225 George Street, Sydney NSW 2000, being the share registry engaged by Phoenix Bridge to administer the Offer and acceptances of the Offer.

Business Day means a day on which banks are open for business in Sydney (excluding a Saturday, Sunday or public holiday in Sydney) and that the ASX is open for trading.

CGT means capital gains tax.

CHESS means the Clearing House Electronic Sub-register System established and operated by ASX Settlement for the clearing, settlement, transfer and registration of approved securities.

CHESS Holding means a holding of Anchor Shares on the CHESS subregister of Anchor.

Competing Proposal means any transaction which may compete with or frustrate the completion of the Offer in accordance with its terms, including any transaction which, if completed, would enable a person to (whether alone or together with one or more Associates):

- (a) acquire, or have a right to acquire, a legal, equitable or economic interest or relevant interest in 10% (by number) or more of the total number of voting shares in the issued capital of Anchor (whether by way of acquisition of existing shares or the issue of new shares);
- (b) acquire, or have a right to acquire, a legal, equitable or economic interest in the whole or a substantial part of the business or assets of Anchor or any of its Subsidiaries;
- (c) acquire Control of Anchor; or
- (d) otherwise acquire or merge with Anchor (including by reverse takeover bid or takeover bid, scheme of arrangement or by establishing a dual listed company structure or stapled security structure).

Control has the meaning given in section 50AA of the Corporations Act.

Controlling Participant in relation to Your Shares, has the same meaning as given in the ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001* (Cth).

Deal means, in relation to shares, to:

- (a) sell, assign, transfer, declare a trust over or otherwise dispose of the relevant shares;
- (b) enter into any option which, if exercised, enables or requires the person to sell, assign, transfer, declare a trust over or otherwise dispose of the relevant shares;
- (c) enter into any derivative or synthetic agreement, deed or other arrangement under which payments may be made that are referable (in whole or part) to the trading price, or the economic value, of the relevant shares;
- (d) create, offer to create or permit to be created any Encumbrance over the relevant shares;
- (e) vote the relevant shares in favour of a Competing Proposal; or
- (f) an agreement (whether or not in writing) to do any of the above.

Encumbrance means:

- (a) an interest or power:
 - (i) reserved in or over an interest in any asset, including any retention of title; or
 - (ii) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

which in substance secures the payment of a debt, any other monetary obligation or the performance of any other obligation;

- (b) a “security interest” within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth);

- (c) an easement, restrictive covenant, caveat or similar restriction over property;
- (d) a right of a person to purchase, occupy or use an asset (including under an option, agreement to purchase, licence, lease or hire purchase);
- (e) any other thing that prevents, restricts or delays the exercise of a right over any asset, the use of any asset or the registration of an interest in or dealing with any asset; and
- (f) any agreement to grant or create any of the above or allow any of the above to exist.

GST means goods and services tax or similar value added tax levied or imposed in Australia under the GST Act or otherwise on a supply.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

HIN or **Holder Identification Number** means the number that starts with an “X”, allocated by your Controlling Participant, to identify an Anchor Shareholder with a CHESS Holding.

Issuer Sponsored Holding means a holding of Anchor Shares on Anchor’s issuer sponsored subregister.

JSD means China Shandong Jinshunda Group Co. Limited, being the indirect controlling shareholder of, and lender to, Anchor as at the date of this Bidder’s Statement.¹¹

Listing Rules means the Listing Rules of ASX.

Maximum Cash Consideration has the meaning given in section 3.3(a).

Minimum Acceptance Condition means the Offer Condition referred to in Appendix 2, section 1, of this Bidder’s Statement.

Mining Tenement means any of the mineral exploration licences and permits held by Anchor or any of its Subsidiaries as at the date of this Bidder’s Statement, including those set out on page 11 of Anchor’s “Quarterly Report on Activities – December 2018”, as announced by Anchor to ASX on 29 January 2019.

Offer means the offer for Shares under the terms and conditions contained in Appendices 1 and 2 to the Bidder’s Statement.

Offer Conditions means the conditions contemplated in section 8 of Appendix 1, and set out in Appendix 2 to this Bidder’s Statement, each of which is a “defeating condition” to the Offer and each contract resulting from the acceptance of the Offer for the purposes of the Corporations Act.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with section 4 of Appendix 1 of this Bidder’s Statement.

Phoenix Bridge means Phoenix Bridge International Holdings Group Investment Co., Limited, which is the bidder and which is further described in Part 3 of this Bidder’s Statement.

Phoenix Bridge Group or **Group** means the group of companies controlled by Mr Dade Wang, as sole shareholder and sole director, as particularised in further detail in sections 3.1 and 3.2 (including Phoenix Bridge).

Prescribed Occurrences means those occurrences set out in section 4 of Appendix 2 of this Bidder’s Statement.

Public Authority means any government or governmental, semi-governmental, administrative, fiscal, regulatory, statutory or judicial entity, agency or authority, whether in Australia, or elsewhere,

¹¹ As at the date of this Bidder’s Statement, based on information disclosed to ASX, JSD has a Relevant Interest in 96.5% (by number) of the total number of Anchor Shares on issue, through the Shareholdings registered to its wholly-owned subsidiary, Sunstar Capital and its sole director, Mr Jianguang Wang.

and any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC, the Takeovers Panel, ASX and any other securities exchange).

Register Date means the date set by Phoenix Bridge for the purposes of section 633(2) of the Corporations Act, being 8 March 2019.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Rights means all accretions, rights and benefits of whatever kind attaching to or arising from Anchor Shares directly or indirectly on or after the Register Date, including all dividends and other distributions and entitlements declared, paid or otherwise given (as applicable) by Anchor or any of its Subsidiaries, the rights to receive them, and any rights to receive or subscribe for shares, notes, bonds, options or other securities issued by Anchor or any of its Subsidiaries.

RMB or **RMB¥** means Chinese renminbi, the lawful currency of the People's Republic of China.

Settlement Participant means an entity admitted to participate in CHESS under rule 4.3 or 4.4 of the ASX Settlement Operating Rules.

Share Registry means the share registry engaged by Phoenix Bridge to administer the Offer and acceptances of the Offer, being Boardroom Pty Limited (ACN 003 209 836).

SRN or **Security Holder Reference Number** means the number that starts with an "I" allocated by Anchor to identify an Anchor Shareholder with an Issuer Sponsored Holding.

Subsidiary has the meaning given in section 9 of the Corporations Act.

Sunstar Capital means Sunstar Capital Pty Ltd (ACN 147 934 852).

Superior Proposal means a bona fide Competing Proposal that is reasonably capable of being completed and that is more favourable to Anchor Shareholders than the Offer, taking into account all aspects of the Competing Proposal.

Tax Act means the *Income Tax Assessment Act 1997* (Cth).

Voting Power has the meaning set out in section 610 of the Corporations Act.

Your Sale Shares means the parcel of Your Shares in respect of which you have accepted (or have been deemed under the terms of the Offer to have accepted) the Offer.

Your Shares means, subject to sections 2(a) to 2(c) of Appendix 1, those Anchor Shares:

- (a) in respect of which you are registered, or entitled to be registered, as holder in the Anchor Share Register at 7:00 pm (AEDT) on the Register Date; or
- (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

8.2 Interpretation

In this Bidder's Statement and in the Acceptance Form:

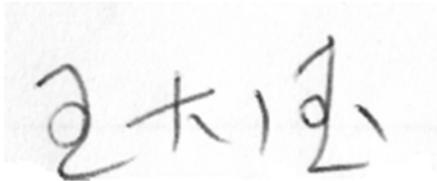
- (a) a reference to "you" or "your" is to a person to whom the Offer is (or is deemed to be) made;
- (b) a reference to dollars, A\$, A\$, cents, c and currency is a reference to the lawful currency of the Commonwealth of Australia;

- (c) a reference to Chinese renminbi, Renminbi, RMB, RMB¥ or ¥ is a reference to the lawful currency of the People's Republic of China;
- (d) a reference to time is a reference to Australian Eastern Daylight Time (AEDT);
- (e) terms defined in the Corporations Act have the same meaning when used in this agreement;
- (f) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (g) words importing a gender include any gender;
- (h) words importing the singular include the plural and vice versa;
- (i) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (j) a reference to a section or Appendix is a reference to a section of and appendix to this Bidder's Statement (as applicable), and a reference to this Bidder's Statement includes each Appendix;
- (k) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances, or by-laws amending, varying, consolidating or replacing it, or which has been amended, extended, consolidated or replaced by it, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (l) the terms "included", "including" and similar expressions are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (m) headings and bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (n) a reference to writing includes email transmissions; and
- (o) a provision of the document is not to be construed against a party solely on the ground that the party is responsible for the preparation of that document or a particular provision.

9. APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by the sole director of Phoenix Bridge International Holdings Group Investment Co., Limited on 7 March 2019.

Signed for and on behalf of Phoenix Bridge International Holdings Group Investment Co., Limited in accordance with section 351 of the Corporations Act:

A handwritten signature in black ink, appearing to be '王大玉' (Wang Dade), written on a light-colored background.

Dade Wang

Executive Director, Phoenix Bridge International Holdings Group Investment Co., Limited

Date: 8 March 2019

APPENDIX 1 – FORMAL TERMS OF THE OFFER

This Appendix 1 together with Appendix 2 contains the terms and conditions of the Offer by Phoenix Bridge to acquire all of Your Shares. The date of the Offer is 11 March 2019.

Unless the context requires otherwise, references to “section” in this Appendix 1 are to sections of this Appendix 1.

1. The Offer

- (a) Phoenix Bridge offers to acquire all of Your Shares, together with all Rights attaching to them, on and subject to the terms and conditions set out in this Appendix 1. By accepting the Offer, you agree and undertake to transfer to Phoenix Bridge, all of Your Sale Shares and all Rights attaching to them.
- (b) You may accept the Offer only in respect of **all**, but not some, of Your Shares. If you accept the Offer, you will be deemed to have accepted for (and will receive consideration for) 100% of Your Shares at the time of acceptance (see further section 5.1(d) below).
- (c) The Offer relates to all Anchor Shares which existed as at 7:00pm (AEDT) on the Register Date, 8 March 2019. The Offer does **not** extend to any Anchor Shares that are issued or come into existence during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of the rights attaching to, any other securities issued by Anchor (including Options) which existed as at 7:00pm (AEDT) on the Register Date
- (d) This Offer is being made to each person registered as an Anchor Shareholder as at 7:00pm (AEDT) on the Register Date.
- (e) This Offer extends to any person who is able, during the Offer Period, to give good title to a parcel of Anchor Shares which is not already the subject of a valid acceptance of the Offer (see section 2(a)).

2. Who may accept the Offer

- (a) A person who:
 - (i) is able during the Offer Period to give good title to a parcel of Anchor Shares; and
 - (ii) has not already accepted the Offer for those Shares,may, in accordance with section 653B(1) of the Corporations Act, accept this Offer as if an offer on terms identical to the Offer had been made to that person in relation to those Shares.
- (b) Without limiting section 2(a), if, at the time this Offer is made to you, or at any time during the Offer Period prior to your acceptance of this Offer, another person is, or is entitled to be, registered as the holder of some or all of Your Shares (**Relevant Shares**):
 - (i) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of the Relevant Shares;
 - (ii) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of all other Shares in respect of which you are able to give good title and to which the Offer relates; and
 - (iii) this Offer to you will be deemed to have been withdrawn immediately at that time.

- (c) If, at any time during the Offer Period, you are registered or entitled to be registered as the holder of one or more parcels of Anchor Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel, you must give notice to Phoenix Bridge in compliance with the procedure in section 653B(3) of the Corporations Act. Such notice must be made:
- (i) if it relates to Anchor Shares entered on an ASX Settlement subregister, in an electronic form approved under the ASX Settlement Operating Rules for the purposes of Part 6.8 of the Corporations Act; or
 - (ii) otherwise, in writing to Phoenix Bridge at the relevant address below:

Postal address	Delivery in person
Phoenix Bridge Takeover Bid C/- Boardroom Pty Limited GPO BOX 3993 SYDNEY NSW 2001	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000

If, for the purposes of complying with the above procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call 1300 737 760 for callers within Australia or +61 2 9290 9600 for callers outside Australia. The information line will be open from Monday to Friday between 8.30am and 5.30pm (AEDT). Calls to this number may be recorded.

- (d) If Your Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.

3. Consideration

- (a) The consideration offered for each Share is A\$0.02 cash.
- (b) The cash consideration payable by Phoenix Bridge under the contract resulting from your acceptance of the Offer, will be paid to you subject to the terms of the Offer and in accordance with section 7.
- (c) Any amount payable to you for Your Sale Shares will be rounded up to the nearest cent. If Phoenix Bridge reasonably believes that any parcel or parcels of Shares have been created to take advantage of the rounding provisions in this section 3, any fractional entitlement will be rounded down to the nearest cent.

4. Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance from the date of this Offer, being 11 March 2019, to the end of the Offer Period, which will close at 7:00pm (AEDT) on 11 April 2019 or such later date to which the Offer Period is extended in accordance with the Corporations Act.
- (b) Phoenix Bridge reserves the right, exercisable in its sole discretion, to extend the Offer Period or otherwise vary the offer in accordance with the Corporations Act.
- (c) If, within the last 7 days of the Offer Period, either of the following events occur:
 - (i) the Offer is varied to improve the consideration offered; or
 - (ii) Phoenix Bridge's Voting Power in Anchor increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

5. How to accept this Offer

5.1 General

- (a) You may accept this Offer only in respect of **all**, but not some, of Your Shares.
- (b) You may accept this Offer at any time during the Offer Period.
- (c) If section 2(b) applies to you, you may, at the one time, accept for two or more parcels of Anchor Shares as if there had been a single offer for a separate parcel consisting of those distinct parcels.
- (d) If you accept the Offer, you will be deemed to have accepted for (and will receive consideration for) 100% of Your Shares at the time of acceptance. This section applies to persons who hold Shares as nominee or trustee for others, provided that the holder provides a notice complying with section 2(b) in relation to each parcel of Shares to which this provision is to apply.

5.2 How to accept

How you accept this Offer depends on whether Your Shares are held in a CHESS Holding or an Issuer Sponsored Holding. The personalised Acceptance Form sent to you with the Offer will specify the type of holding you have and the details of your holding printed on it. The personalised Acceptance Form sent to you is the Acceptance Form to use if you wish to accept the Offer in relation to Your Shares.

- (a) **If you hold any of Your Shares in your name in a CHESS Holding and you are not a Settlement Participant**, your personalised Acceptance Form will show your HIN (Holder Identification Number) starting with the letter "X". To accept this Offer, you must either:
 - (i) instruct your Controlling Participant (this is normally the stockbroker through whom you bought Your Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules in sufficient time for the Offer to be accepted before the end of the Offer Period; or
 - (ii) complete and sign your personalised Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is posted or delivered to the address specified in section 5.3(b) below in sufficient time for Phoenix Bridge to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

If Your Shares are held in your name in a CHESS Holding, you must comply with any other applicable ASX Settlement Operating Rules.

- (b) **If you hold any of Your Shares in your name in a CHESS Holding and you are a Settlement Participant** and you wish to accept this Offer, you must initiate acceptance of this Offer in accordance with rule 14.14 of the ASX Settlement Operating Rules in sufficient time for the Offer to be accepted before the end of the Offer Period.
- (c) **If you hold any of Your Shares in your name in an Issuer Sponsored Holding**, your personalised Acceptance Form will show your SRN (Security Holder Reference Number) starting with the letter 'I'. To accept this Offer, you must complete and sign your personalised Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is posted or delivered to the address specified in section 5.3(b) below in sufficient time for it to be received by Phoenix Bridge before the end of the Offer Period.

- (d) **If any of Your Shares are not held in your name but you are entitled to be registered as the holder of those Shares**, you must, to accept this Offer, complete and sign your personalised Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is posted or delivered to the address specified in section 5.3(b) below in sufficient time for it to be received by Phoenix Bridge before the end of the Offer Period.

5.3 Acceptance Form

- (a) The Acceptance Form forms part of the Offer.
- (b) If your Acceptance Form (and any documents required by the terms of this Offer and the instructions on the Acceptance Form) are returned by post, you must ensure, for your acceptance to be valid, that your Acceptance Form is posted or delivered to the relevant address below in sufficient time for it to be received by Phoenix Bridge before the end of the Offer Period:

Postal address

Phoenix Bridge Takeover Bid
C/- Boardroom Pty Limited
GPO BOX 3993
SYDNEY NSW 2001

Delivery in person

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

- (c) When using the Acceptance Form to accept this Offer in respect of Shares in a CHES Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction on the Acceptance Form) is posted or delivered to the address specified in section 5.3(b) above in sufficient time for Phoenix Bridge to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (d) The postage and transmission of your Acceptance Form and other documents is at your own risk. To assist your acceptance of the Offer, a reply-paid envelop is enclosed with your personalised Acceptance Form.
- (e) When accepting this Offer, you should also forward the following documents to Phoenix Bridge for inspection (at the address specified in section 5.3(b) above and indicated in the Acceptance Form):
- (i) if the Acceptance is executed by an attorney, a certified copy of the power of attorney; and
 - (ii) if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Anchor Shareholder, a certified copy of the relevant grant of probate or letters of administration.
- (f) If the Acceptance Form is signed under power of attorney, the attorney will be taken to have declared that the attorney has no notice of revocation of the power and is empowered to delegate powers under the power of attorney (including as contemplated by section 6.3(i)(i)).

5.4 Validity of acceptance

- (a) Subject to the remainder of this section 5.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 5.
- (b) Phoenix Bridge will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Phoenix Bridge is not required to communicate with you prior to making this determination. The determination of Phoenix Bridge will be final and binding on all parties.

- (c) Despite sections 5.2 and 5.3, Phoenix Bridge may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Shares, even if a requirement for acceptance has not been fully complied with. However, the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Phoenix Bridge.
- (d) If Phoenix Bridge determines your acceptance of the Offer to be valid, Phoenix Bridge will provide the consideration for Your Sale Shares to you in accordance with section 7.

6. Effect of acceptance

6.1 Revocation of acceptance

Except as permitted otherwise by applicable law, once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition you will be unable to withdraw your acceptance of the Offer or otherwise Deal with Your Sale Shares, except as follows:

- (a) if, by the relevant times specified in section 6.2, the Offer Conditions in Appendix 2 have not all been fulfilled or waived, this Offer will automatically terminate and you will be free to Deal with Your Sale Shares without restriction under the terms of this Offer; or
- (b) if Phoenix Bridge varies the Offer in a way that postpones for more than 1 month the time when Phoenix Bridge is required to meet its obligations under the Offer and, at the time of the variation, this Offer is subject to one or more of the Offer Conditions in Appendix 2, you may be able to withdraw your acceptance of the Offer in accordance with section 650E of the Corporations Act. If this circumstance arises, a notice will be sent to you at the relevant time explaining your rights in this regard, including in respect of Your Sale Shares.

6.2 Times

The “relevant times” for the purposes of sections 6.1(a), 6.3, 8.2 and 8.3 are:

- (a) in relation to the Offer Condition in section 4 of Appendix 2 (“No prescribed occurrences”), the end of the third Business Day after the end of the Offer Period; and
- (b) in relation to all other Offer Conditions in Appendix 2 the end of the Offer Period.

6.3 Your agreement

By signing and returning the Acceptance Form, or otherwise accepting this Offer in accordance with section 5, you will be deemed to have:

- (a) agreed to the terms and conditions of this Offer as set out in this Appendix 1 and Appendix 2 of this Bidder’s Statement;
- (b) irrevocably accepted this Offer (and any variation of it) in respect of, and, subject to all of the conditions to this Offer in Appendix 2 being fulfilled or waived by the relevant times specified in section 6.2, agreed to transfer to Phoenix Bridge, all of Your Sale Shares;
- (c) agreed with Phoenix Bridge that Your Sale Shares will be purchased by Phoenix Bridge with all Rights and that you will execute all such instruments as Phoenix Bridge may require for the purpose of vesting in it any such Rights;
- (d) represented and warranted to Phoenix Bridge, as a fundamental condition of the contract resulting from your acceptance of the Offer, that at the time of acceptance, and the time of transfer of Your Sale Shares (including any Rights) to Phoenix Bridge:

- (i) you have paid to Anchor all amounts which are due for payment in respect of Your Sale Shares, and all of Your Sale Shares are and will upon registration be fully paid up;
- (ii) Phoenix Bridge will acquire good title to and beneficial ownership of all Your Sale Shares, free from Encumbrances, adverse interests of any nature and restrictions on transfer of any kind (whether legal, equitable or otherwise);
- (iii) you have full power, capacity and authority to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Sale Shares (including any Rights) to Phoenix Bridge; and
- (iv) if you are the legal owner, but not the beneficial owner of all or some of Your Shares (**Relevant Shares**), that:
 - (A) the beneficial holder has not sent a separate acceptance of the Offer in respect of the Relevant Shares;
 - (B) the number of Anchor Shares you have specified as being the entire holding of the Anchor Shares that you hold on behalf of the relevant beneficial holder is in fact the entire holding; and
 - (C) you are irrevocably and unconditionally entitled to transfer the Relevant Shares, and to assign all of the beneficial interest therein, to Phoenix Bridge.
- (e) irrevocably authorised Phoenix Bridge (and any director, secretary, agent or nominee of Phoenix Bridge) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Sale Shares, filling in any blanks remaining on the Acceptance Form and rectifying any errors or omissions as may be considered necessary by Phoenix Bridge to make it an effective acceptance of this Offer or to enable registration of Your Sale Shares in the name of Phoenix Bridge;
- (f) if any of Your Sale Shares are held in a CHESS Holding, irrevocably authorised Phoenix Bridge (and any director, secretary, agent or nominee of Phoenix Bridge) to:
 - (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Sale Shares in accordance with rule 14.14 of the ASX Settlement Operating Rules;
 - (ii) give any other instructions in relation to Your Sale Shares to your Controlling Participant on your behalf to facilitate your acceptance of the Offer, as determined by Phoenix Bridge acting in its own interests as a beneficial owner and intended registered holder of those Shares; and
 - (iii) if and when the Offer and any contract resulting from your acceptance of this Offer becomes unconditional, cause a message to be transmitted in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Sale Shares to Phoenix Bridge, regardless of whether it has paid the consideration due to you under this Offer;
- (g) irrevocably authorised and directed Anchor to pay to Phoenix Bridge, or to account to Phoenix Bridge for, all Rights in respect of Your Sale Shares (subject to Phoenix Bridge accounting to you for any such Rights received by Phoenix Bridge, if this Offer is withdrawn or the contract arising from your acceptance of the Offer does not become unconditional by the relevant times specified in section 6.2 or is otherwise rendered void);
- (h) with effect from the time and date on which all the Offer Conditions have been fulfilled or waived (even though Phoenix Bridge has not yet provided the consideration due to you for Your Sale Shares), irrevocably authorised Phoenix Bridge (and any director, secretary, agent or nominee of Phoenix Bridge) to:

- (i) notify Anchor on your behalf that your address for the purpose of serving notices upon you in respect of Your Sale Shares is the address specified by Phoenix Bridge in the notification to Anchor, and direct Anchor to mark all such notices care of Phoenix Bridge; and
 - (ii) direct Anchor on your behalf to serve all correspondence, payments or notifications in respect of any Rights and other communications and documents whatsoever in respect of those Shares to Phoenix Bridge at that address;
- (i) with effect from the time and date on which all the Offer Conditions have been fulfilled or waived (even though Phoenix Bridge has not yet provided the consideration due to you for Your Sale Shares):
- (i) irrevocably appointed Phoenix Bridge and each director, each secretary and any nominee of Phoenix Bridge from time to time severally as your agent and attorney to exercise all your powers and rights in relation to Your Sale Shares, including powers and rights to: (A) requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings, class meetings and court-convened meetings of Anchor; (B) appoint a proxy or proxies to attend all such meetings and vote in the manner directed by Phoenix Bridge on your behalf in respect of Your Sale Shares; (C) request Anchor to register, in the name of Phoenix Bridge or its nominee, Your Sale Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); (D) execute all forms, notices, documents (including a document appointing a director of Phoenix Bridge as a proxy for any of Your Sale Shares) and resolutions relating to Your Sale Shares and generally to exercise all powers and rights which you have as the registered holder of Your Sale Shares; and (E) do all things incidental or ancillary to any of the foregoing; and
 - (ii) agreed not to attend or exercise any voting rights attached to Your Sale Shares in person, by proxy or by body corporate representative at any general meeting, class meeting or court-convened meeting of Anchor or to exercise or purport to exercise any of the powers and rights conferred on Phoenix Bridge (and its directors, secretaries and nominees) in section 6.3(i)(i);
- (j) agreed that the appointment in section 6.3(i)(i) is being given for valuable consideration to secure the interest acquired by Phoenix Bridge in Your Sale Shares, is irrevocable and terminates upon registration of a transfer to Phoenix Bridge of all of Your Sale Shares on the Anchor Share Register;
- (k) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 6.3(i)(i), the attorney will be entitled to act in the interests of Phoenix Bridge as the beneficial owner and intended registered holder of Your Sale Shares;
- (l) agreed to do all such acts, matters and things that Phoenix Bridge may require to give effect to the matters the subject of this section 6 (including the execution of a written form of proxy to the same effect as section 6.3(i)(i) which complies in all respects with the requirements of the constitution of Anchor) if requested by Phoenix Bridge;
- (m) agreed to indemnify Phoenix Bridge in respect of any claim or action taken against it or any of its Subsidiaries, or any loss, damage or liability whatsoever incurred by it or any of its Subsidiaries, as a result of:
- (i) any representation or warranty made by you under the terms of the Offer not being true or complete in all material respects;
 - (ii) you not producing your HIN or SRN, or the transfer of Your Sale Shares to Phoenix Bridge being registered by Anchor without production of your HIN or SRN for Your Shares; or

- (iii) any error in the information that you have provided in your Acceptance Form (including, if applicable, the details of the financial institution account that you have nominated to receive the consideration due to you for Your Sale Shares in accordance with section 7.4(b)).
- (n) unless you have notified it in accordance with section 2(c) of this Appendix 1, Your Sale Shares do not consist of separate parcels of Anchor Shares; and
- (o) agreed, subject to all the Offer Conditions being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Phoenix Bridge may consider necessary or desirable to convey Your Sale Shares registered in your name and Rights to Phoenix Bridge.

The undertakings and authorities referred to in section 6.3 will remain in force after you receive the consideration for Your Sale Shares and after Phoenix Bridge becomes registered as the holder of Your Sale Shares.

7. Payment of consideration

7.1 When consideration is paid

Subject to the remainder of this section 7 and the Corporations Act, if you accept this Offer and each of the Offer Conditions is either fulfilled or waived in accordance with the terms of the Offer and the Corporations Act, Phoenix Bridge will provide the consideration due to you for Your Sale Shares on or before the earlier of:

- (a) one month after the date on which this Offer is accepted by you or, if this Offer was subject to an Offer Condition when you accept this Offer, within one month after this Offer or the contract resulting from your acceptance of this Offer becomes unconditional; and
- (b) 21 days after the end of the Offer Period.

7.2 Where additional documents are required

Where the Acceptance Form or any subsequent request from Phoenix Bridge requires additional documents to be delivered with your acceptance of the Offer (such as a certified copy of any power of attorney, grant of probate, letters of administration, or any other document reasonably requested by Phoenix Bridge to give effect to your acceptance):

- (a) if that document is given to Phoenix Bridge contemporaneously with your acceptance, Phoenix Bridge will provide the consideration due to you for Your Sale Shares in accordance with the timeframe set out in section 7.1;
- (b) if that document is given to Phoenix Bridge after your acceptance and before the end of the Offer Period while this Offer is subject to an Offer Condition, Phoenix Bridge will provide the consideration due to you for Your Sale Shares on or before the earlier of one month after this Offer becomes unconditional and 21 days after the end of the Offer Period;
- (c) if that document is given to Phoenix Bridge after your acceptance and before the end of the Offer Period while this Offer is not subject to an Offer Condition, Phoenix Bridge will provide the consideration due to you for Your Sale Shares on or before the earlier of one month after that document is received by Phoenix Bridge at the address specified in section 5.3(b) (and indicated in the Acceptance Form) and 21 days after the end of the Offer Period;
- (d) if that document is given to Phoenix Bridge after your acceptance and after the end of the Offer Period and that time the Offer is not subject to an Offer Condition, Phoenix Bridge will provide the consideration due to you for Your Sale Shares within 21 days after that document is received by Phoenix Bridge at the address specified in section 5.3(b) (and indicated in the Acceptance Form); and

- (e) if that document is given to Phoenix Bridge after your acceptance and after the end of the Offer Period and at that time the Offer is still subject to an Offer Condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, Phoenix Bridge will provide the consideration due to you for Your Sale Shares within 21 days after the Offer becomes unconditional.

If you do not provide Phoenix Bridge with the required additional documents within one month after the end of the Offer Period, Phoenix Bridge may, in its sole discretion, rescind the contract resulting from your acceptance of this Offer.

7.3 Entitlement to Rights

- (a) If you accept this Offer, Phoenix Bridge is entitled to all Rights in respect of Your Sale Shares. Phoenix Bridge may require you to provide all documents necessary to vest title to those Rights in Phoenix Bridge, or otherwise to give Phoenix Bridge the benefit or value of those Rights. If you do not give those documents to Phoenix Bridge, or if you have received the benefit of those Rights, Phoenix Bridge may deduct from the consideration due to you for Your Sale Shares, the amount (or value, as reasonably assessed by Phoenix Bridge) of those Rights, in accordance with section 7.3(b).

- (b) If:
 - (i) you have (or any previous holder of Your Sale Shares has) received the benefit of any Rights (whether in respect of non-cash benefits or otherwise); or
 - (ii) you are (or any previous holder of Your Sale Shares is) entitled to receive the benefit of any Rights under the terms that provide for or otherwise apply to those Rights (for example, if the Rights is to receive a dividend, if you are (or any previous holder of Your Sale Shares is) the registered holder of the Anchor Share at the specified time for determining those entitled to the dividend),

then:

- (iii) in the case of Rights to non-cash benefits, Phoenix Bridge may deduct the value (as reasonably assessed by Phoenix Bridge) of such Rights from any consideration otherwise payable to you for Your Sale Shares under this Offer; or
- (iv) in the case of Rights to cash benefits, Phoenix Bridge may deduct the amount of such Rights from any consideration otherwise payable to you for Your Sale Shares under this Offer.

If Phoenix Bridge does not, or cannot, make such a deduction, you must pay such value or amount to Phoenix Bridge.

7.4 Manner of payment

- (a) Unless you elect otherwise on your Acceptance Form in accordance with section 7.4(b), the consideration payable by Phoenix Bridge to you under the Offer for Your Sale Shares will be paid to you by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) to either:
 - (i) the address as shown on your Acceptance Form; or
 - (ii) the address as shown on the latest version of the Anchor Share Register (as obtained by Phoenix Bridge pursuant to section 641 of the Corporations Act).
- (b) You may elect to receive the consideration due to you in respect of Your Sale Shares:
 - (i) by electronic funds transfer (**EFT**) to a nominated financial institution account held in your name (**Your Nominated Account**); and/or

- (ii) in Chinese Renminbi (which amount will be determined by converting the amount of the consideration otherwise payable to you in Australian dollars at the [#insert exchange rate benchmark] prevailing on the date of payment of the consideration),

by completing the relevant provisions of your personalised Acceptance Form, including, where you elect to receive your consideration by EFT, by providing complete and accurate details of Your Nominated Account as required in the Acceptance Form.

- (c) Phoenix Bridge urges you to take care when completing the details of Your Nominated Account in the Acceptance Form. You are responsible for entering the correct details of Your Nominated Account in the Acceptance Form. Phoenix Bridge does not validate any BSB, account or bank details that you provide to ensure that the details are correct for Your Nominated Account. If you elect to receive your consideration by EFT, you do so at your own risk. You should be aware that if incorrect BSB, account or bank details are provided to Phoenix Bridge, this may result in:
 - (i) funds being incorrectly paid to the wrong account, which may not be recoverable;
 - (ii) a processing failure; or
 - (iii) interest, charges, fees or penalties imposed by third parties.

Phoenix Bridge does not accept any responsibility and will not be liable for any loss, damage or liability whatsoever arising as a result of any error in the details of Your Nominated Account that you submit in your Acceptance Form.

7.5 Clearances for offshore residents

If, at the time of acceptance of this Offer, any consent, authority or clearance is required for you to receive any consideration under this Offer, including consent, authority or clearance of:

- (a) the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of the United Nations (Terrorism and Dealings with Assets) Regulations 2002* (Cth) or any other regulations made thereunder, or otherwise);
- (b) the Reserve Bank of Australia (whether under the *Banking (Foreign Exchange) Regulations 1959* (Cth) or otherwise);
- (c) the Australian Taxation Office; or
- (d) any other person as required by any other Australian law, statute, regulation, rule or other document enforceable under any statute, regulation, rule or subordinate legislation that would make it unlawful for Phoenix Bridge to provide any consideration for your acceptance of this Offer,

then your acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration under this Offer unless and until all such consents, authorities or clearances have been received by Phoenix Bridge. Phoenix Bridge is under no obligation to seek or obtain, including within any timeframe, any such consent, authority or clearance.

7.6 No interest

Under no circumstances will interest be paid on the consideration payable for Your Sale Shares, regardless of any delay in paying the consideration or any extension of the Offer.

7.7 Withholding amount

If any amount (**Withholding Amount**) is determined by Phoenix Bridge to be required, or reasonably likely to be required, under any Australian law or by a Public Authority, to be withheld from the consideration due to you for Your Sale Shares and provided to a Public Authority, or

otherwise retained by Phoenix Bridge out of the consideration due to you for Your Sale Shares, the provision of the Withholding Amount to the relevant Public Authority by Phoenix Bridge or the withholding or retention by Phoenix Bridge of the Withholding Amount (as applicable) will constitute full discharge of Phoenix Bridge's obligation to provide the consideration to you to the extent of that Withholding Amount.

8. Conditions of this Offer

8.1 Conditions

This Offer and the contract that results from your acceptance of this Offer are subject to fulfilment of the conditions set out in Appendix 2 to this Bidder's Statement.

8.2 Nature of Conditions

- (a) The conditions in Appendix 2 are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the relevant times specified in clause 6.2, prevent a contract to sell Your Sale Shares from arising. However, the non-fulfilment or breach (as applicable) of any condition subsequent entitles Phoenix Bridge by written notice to you, to rescind the contract resulting from your acceptance of this Offer.
- (b) Subject to the Corporations Act, Phoenix Bridge alone is entitled to the benefit of the conditions in Appendix 2, or to rely on any non-fulfilment of any of them.
- (c) Each condition in Appendix 2 is a separate, severable and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

8.3 Freeing the offer of Conditions

Phoenix Bridge may at its sole discretion free this Offer, and any contract resulting from its acceptance, from all or any of the conditions subsequent in Appendix 2, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Anchor and to ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:

- (a) in the case of the Offer Condition in section 4 of Appendix 2 ("No prescribed occurrences"), not later than 3 Business Days after the end of the Offer Period; and
- (b) in the case of all the other Offer Conditions in Appendix 2, not less than 7 days before the end of the Offer Period.

If any Offer Condition has not been fulfilled by the relevant times specified in clause 6.2, and Phoenix Bridge has not declared the Offer (or it has not become) free from those conditions in accordance with this section 8.3, all contracts resulting from the acceptance of the Offer will be automatically void.

8.4 Notice on status of Conditions

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is 4 April 2019 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

9. Withdrawal of this Offer

- (a) This Offer may be withdrawn by Phoenix Bridge, but only:
 - (i) with the consent in writing of ASIC and subject to the conditions (if any) specified in such consent; or
 - (ii) otherwise in accordance with the Corporations Act.

- (b) Subject to ASIC's consent (and any conditions imposed by ASIC), withdrawal of this Offer may be effected by written notice from Phoenix Bridge to Anchor.
- (c) Subject to any conditions imposed by ASIC on its consent, where Phoenix Bridge withdraws this Offer:
 - (i) this Offer, if not previously accepted, automatically becomes incapable of acceptance; and
 - (ii) any contract resulting from an acceptance of this Offer before the withdrawal (and for this purpose, this Offer is treated as having continued in existence despite that acceptance) is automatically void.

10. Variation of this Offer

Phoenix Bridge may vary this Offer in accordance with the Corporations Act.

11. Other matters

11.1 Notices and other communications

Subject to the Corporations Act, a notice or other communication given by Phoenix Bridge to you in connection with this Offer will be deemed to be duly given if it is in writing and is:

- (a) delivered at your address as shown in your Acceptance Form or as recorded on the latest version of the Anchor Share Register obtained by Phoenix Bridge; or
- (b) sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of the addresses referred to in section 11.1(a) above.

11.2 Costs and expenses

- (a) All costs and expenses of the preparation, despatch and circulation of the Bidder's Statement and this Offer will be paid by Phoenix Bridge.
- (b) All stamp duty payable on the transfer of Your Sale Shares to Phoenix Bridge pursuant to your acceptance of the Offer, will be paid by Phoenix Bridge.
- (c) If you hold Your Sale Shares through a bank, broker or nominee which charges transaction fees or services charges in connection with your acceptance of this Offer, you are responsible for (and Phoenix Bridge) will not pay) those fees or charges.

11.3 Foreign laws

This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer.

11.4 Governing law and jurisdiction

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in the State of New South Wales, Australia. By accepting the Offer, you irrevocably submit to the non-exclusive jurisdiction of the courts with jurisdiction in New South Wales, Australia, in relation to these and related non-contractual matters and waive any right to object to the venue on any ground.

APPENDIX 2 – CONDITIONS OF THE OFFER

The Offer and any contract that results from acceptance of this Offer, is subject to the fulfilment of the conditions set out below:

1. Minimum acceptance

Before the end of the Offer Period, Phoenix Bridge having received valid acceptances of the Offer so that, immediately following completion of the Offer, it has a Relevant Interest in at least 90% (by number) of all Shares on issue at the end of the Offer Period.

2. No regulatory action

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive):

- there is not in effect any preliminary or final decision, order or decree issued by any Public Authority;
- no action or investigation is announced, commenced or threatened by any Public Authority; and
- no application is made to any Public Authority (other than by Phoenix Bridge or any Associate of Phoenix Bridge),

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which:

- restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or materially and adversely impact upon, the making or the completion of the Offer, the acquisition of Shares under the Offer, the completion of any of the transactions contemplated by the Bidder's Statement or the Offer or the rights of Phoenix Bridge in respect of the Shares (once acquired);
- may result in any Mining Tenement being terminated or revoked or the conditions of any Mining Tenement being modified; or
- requires the divestiture of any material assets of Anchor or any Subsidiary of Anchor.

3. No material adverse change

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), none of the following occurs (**Specified Event**):

- an act, omission, event, change, condition, matter or thing occurs;
- information is disclosed or announced by Anchor or any of its Subsidiaries concerning any act, omission, event, change, condition, matter or thing; or
- information concerning any act, omission, event, change, condition, matter or thing becomes known to Phoenix Bridge (whether or not becoming public),

which, individually, or when aggregated with all other such acts, omissions, events, changes, conditions, matters or things of a like kind arising from the same or substantially similar facts or circumstances, will have, could reasonably be expected to have or evidences that there has been, a material adverse effect on the business, assets, liabilities, financial position and performance, material contracts (taken as a whole), profitability or prospects of Anchor, any of its Subsidiaries or Anchor and its Subsidiaries taken as a whole, as compared to that existing immediately prior to the date of this Bidder's Statement.

4. No Prescribed Occurrences

Between the date of this Bidder's Statement and the date that is three Business Days after the end of the Offer Period (each inclusive), none of the following occurrences happen:

- (a) Anchor converts all or any of its Shares into a larger or smaller number of Shares;
- (b) Anchor or a Subsidiary of Anchor resolves to reduce its share capital in any way;
- (c) Anchor or a Subsidiary of Anchor:
 - (i) enters into a buy-back agreement; or
 - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) Anchor or a Subsidiary of Anchor issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (e) Anchor or a Subsidiary of Anchor issues, or agrees to issue, convertible notes;
- (f) Anchor or a Subsidiary of Anchor disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) Anchor or a Subsidiary of Anchor grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- (h) Anchor or a Subsidiary of Anchor resolves to be wound up;
- (i) a liquidator or provisional liquidator of Anchor or a Subsidiary of Anchor is appointed;
- (j) a court makes an order for the winding up of Anchor or a Subsidiary of Anchor;
- (k) an administrator of Anchor, or a Subsidiary of Anchor, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Anchor or a Subsidiary of Anchor executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Anchor or a Subsidiary of Anchor.

5. No persons entitled to exercise or exercising rights under certain agreements or instruments

Between the date of this Bidder's Statement and the end of the Offer Period (each inclusive), there is no person, excluding any Associate of Phoenix Bridge, entitled to exercise, exercising or purporting to exercise, stating an intention to exercise (whether or not that intention is stated to be a final or determined decision of that person), or asserting a right to exercise, any rights under any provision of any agreement or other instrument to which Anchor or any of its Subsidiaries is a party, or by or to which Anchor or any of its Subsidiaries or any of its assets or businesses may be bound or be subject, which results, or could result, to an extent which is material in the context of Anchor and its Subsidiaries taken as a whole, in:

- (a) any moneys borrowed by Anchor or any of its Subsidiaries being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument or otherwise agreed in writing by the relevant lender;
- (b) any such agreement or other such instrument being terminated or modified or any action being taken or arising there under (including the acceleration of the performance of any obligations there under);

- (c) the interest of Anchor or any of its Subsidiaries in any firm, incorporated or unincorporated joint venture, trust corporation or other entity (or any arrangements relating to such interest) being terminated, modified or being required to be disposed of;
- (d) the assets of Anchor or any of its Subsidiaries being sold, transferred or offered for sale or transfer, including under any pre-emptive rights or similar provisions; or
- (e) the business of Anchor or any of its Subsidiaries with any other person being adversely affected.

6. No material acquisitions, disposals, changes in the conduct of business or dividends

Between the date of this Bidder's Statement and the end of the Offer Period (each inclusive), neither Anchor nor any of its Subsidiaries:

- (a) acquires or disposes of, enters into, agrees to enter into or announces any agreement for the acquisition or disposal of, any asset or business, or enters into any transaction, which would or would reasonably be likely to involve a material change in the manner in which Anchor and its Subsidiaries conduct their business, including any agreement or transaction which would or (subject to one or more conditions) may involve Anchor or any of its Subsidiaries entering into any contract, commitment or arrangement (including the acquisition of, or offering or agreeing to acquire, any asset or the entering into, or offering or agreeing to enter into, any joint venture, partnership, farm-in or management agreement) that is not in the ordinary course of business;
- (b) borrows any money or incurs new financial indebtedness (or agrees to do so);
- (c) enters into any guarantee or indemnity on behalf of, or provides security for the obligations, of any person (or agrees to do so);
- (d) grants or agrees to grant any Encumbrance, or allows any Encumbrance to be created or otherwise arise, over any of its assets, other than liens in the ordinary and usual course of business;
- (e) makes any change to its constitutional documents or passes any other special resolution;
- (f) amends or agrees to amend the terms of issue of any of its shares or other securities (including performance rights and options exercisable or otherwise convertible into shares);
- (g) enters into a contract or commitment restraining it from competing with any person or conducting activities in any market;
- (h) voluntarily changes any accounting policy applied by it to report its financial position;
- (i) enters into, amends, or agrees to enter into or amend, any contract, commitment or other arrangement with a related party of Anchor;
- (j) amends or agrees to amend any employment, consulting, severance or similar agreement or arrangement with any, officers, directors, other executives or employees of Anchor or any of its Subsidiaries, including making or agreeing to make any substantial change in the basis or quantum of remuneration, compensation or other benefits of any of the foregoing, other than in accordance with contractual arrangements in effect as at the date of this Bidder's Statement;
- (k) enters into or agrees to enter into any enterprise bargaining agreement;
- (l) implements or agrees to implement any scheme or arrangement or compromise (including one for a reconstruction or amalgamation of Anchor or any of its Subsidiaries), or any analogous procedure, scheme or arrangement in any jurisdiction; or
- (m) announces an intention to pay, pays or declares any dividend or other distribution, other than:

- (i) a dividend or distribution to be made by Anchor with the prior written consent of Phoenix Bridge; or
- (ii) a dividend or distribution to be made by a Subsidiary of Anchor where the only recipient of that dividend or distribution is Anchor or a wholly-owned Subsidiary of Anchor.

7. No litigation on foot or pending

Between the date of this Bidder's Statement and the end of the Offer Period (each inclusive), no claim, litigation, arbitration proceedings, prosecution or other legal proceedings against Anchor or any of its Subsidiaries is commenced, threatened or be commenced, announced or made known to Phoenix Bridge (whether or not becoming public) or Anchor.

CORPORATE DIRECTORY

Company

Phoenix Bridge International Holdings Group Investment Co., Limited
(Hong Kong Company Number: 2102499)

Registered office:

House 9
No 1 Oxford Road
Kowloon Tong, Hong Kong

Correspondence address:

Building C, Yicheng Technology Center
No.9 Ronghua South Road
Economic and Technological Development Zone
Beijing 100176
People's Republic of China

Legal Adviser

Addisons
Level 12, 60 Carrington Street
Sydney NSW 2000

Share Registrar

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000