

FORM 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

Item 1 Security and Reporting Issuer

1.1 *State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.*

Common Shares of Anchor Capital Corp. (the “**Common Shares**”)

Anchor Capital Corporation (“**Reporting Issuer**”)
421 - 7th Avenue SW
TD Canada Trust Tower, Suite 1700
Calgary, AB
T2P 4K9

Anchor Capital Corporation is a reporting issuer in the reporting jurisdictions of British Columbia, Alberta and Ontario. The Common Shares of the Reporting Issuer are listed on the NEX Board of the TSX Venture Exchange under stock symbol “ANC.H”. The Reporting Issuer is a Capital Pool Company governed by CPC Policy 2.4 of the TSX Venture Exchange.

1.2 *State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.*

Not applicable. The report is filed in respect of the acquisition by the Acquiror (defined below) of common shares of the Reporting Issuer pursuant to private agreements with escrowed principals of the Reporting Issuer which closed effective as of October 31, 2018.

Item 2 Identity of the Acquiror

2.1 *State the name and address of the acquiror.*

Kosta Kostic (the “**Acquiror**”)
c/o Jegudiel Holdings Inc.
1000 Sherbrooke Street West, Suite 2700
Montreal, Quebec H3A 3G4

2.2 *State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.*

Effective as of October 31, 2018, the Acquiror acquired ownership of an aggregate of 562,500 common shares of the Reporting Issuer, at a price of \$0.08 per share, representing approximately 12.4% of the issued and outstanding common shares of the Reporting Issuer. In addition, the Acquiror received 175,700 options to acquire common shares of the Reporting Issuer, at an exercise price of \$0.10 per share, for a period of five years. The foregoing acquisition and option grant is subject to the approval of the TSX Venture Exchange in connection with Mr. Kostic’s appointment as corporate secretary of the Reporting Issuer.

2.3 *State the names of any joint actors.*

Jegudiel Holdings Inc., Mr. Kostic's holding company, may be considered a joint actor. The common shares are registered in the name of Jegudiel Holdings Inc. and the options are registered in Mr. Kostic's personal name.

Item 3 Interest in Securities of the Reporting Issuer

3.1 *State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror's securityholding percentage in the class of securities.*

As indicated under item 2.2, effective as of October 31, 2018, the Acquiror acquired ownership of an aggregate of 562,500 common shares of the Reporting Issuer, at a price of \$0.08 per share, representing approximately 12.4% of the issued and outstanding common shares of the Reporting Issuer. In addition, the Acquiror received 175,700 options to acquire common shares of the Reporting Issuer, at an exercise price of \$0.10 per share, for a period of five years. The foregoing acquisition and option grant is subject to the approval of the TSX Venture Exchange in connection with Mr. Kostic's appointment as corporate secretary of the Reporting Issuer.

3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.*

The Acquiror acquired ownership of the securities that are the subject of this report.

3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

Immediately prior to the completion of the transaction, the Acquiror had ownership of no securities of the Reporting Issuer.

The Acquiror acquired ownership of an aggregate of 562,500 common shares of the Reporting Issuer, at a price of \$0.08 per share, representing approximately 12.4% of the issued and outstanding common shares of the Reporting Issuer.

3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which:*

- (a) *the acquiror, either alone or together with any joint actors, has ownership and control,*
See the response to Item 3.4.

(b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

Not applicable.

(c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Not applicable.

3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

Not applicable.

3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

Item 4 Consideration Paid

4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

The Acquiror acquired 562,500 common shares of the Reporting Issuer that triggered the requirement to file this report at a price of \$0.08 per share for aggregate consideration of \$45,000.

4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from*

treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

The Acquiror acquired 562,500 common shares of the Reporting Issuer that triggered the requirement to file this report at a price of \$0.08 per share for aggregate consideration of \$45,000. The shares were acquired from existing escrowed principals of the Reporting Issuer pursuant to share purchase agreements.

4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Not applicable.

Item 5 Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

(a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;

The securities were acquired for investment purposes and to comply with the minimum holding requirements of the CPC Policy 2.4 of the TSX Venture Exchange as the Acquiror is also joining the Reporting Issuer as the Corporate Secretary. In the future, additional securities of the Reporting Issuer may be acquired or disposed of, through the market, privately or otherwise, subject to market conditions.

(b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;

Not applicable.

(c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;

Not applicable.

(d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;

Not applicable.

(e) a material change in the present capitalization or dividend policy of the reporting issuer;

Not applicable.

(f) a material change in the reporting issuer's business or corporate structure;

Not applicable.

- (g) *a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;*

Not applicable.

- (h) *a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;*

Not applicable.

- (i) *the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;*

Not applicable.

- (j) *a solicitation of proxies from securityholders;*

Not applicable.

- (k) *an action similar to any of those enumerated above.*

Not applicable.

Item 6 Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer.

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 Change in material fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

I, as the Acquiror, certify, to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated at Montreal, Quebec this 5th day of November, 2018

(signed) Kosta Kostic
KOSTA KOSTIC