



MANHATTAN

MANHATTAN CORPORATION LIMITED

ABN 61 123 156 089

INTERIM FINANCIAL REPORT
For the Half-Year Ended
31 December 2020

CONTENTS	PAGE NO
Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	12
Consolidated Statement of Comprehensive Income	13
Consolidated Statement of Financial Position	14
Consolidated Statement of Cash Flows	15
Consolidated Statement of Changes in Equity	16
Notes to the Financial Statements	17
Directors' Declaration	20
Independent Auditor's Review Report	21

Corporate Directory

Directors

Mr Marcello Cardaci (Non-Executive Chairman)
Mr Jens Balkau (Non-Executive Director)
Mr John Seton (Non-Executive Director)
Mr Kell Nielson (Chief Executive Officer)

Company Secretary

Ms Eryn Kestel

Registered Office

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Perth WA 6000 Australia

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Auditors

Rothsay Auditing
Level 1, Lincoln House
4 Ventnor Avenue
West Perth WA 6005

Securities Exchange

The Company's securities are quoted
on the official list of the Australian Securities
Exchange Limited, the home branch being Perth.
ASX Codes: MHC and MHCO

Directors' Report

The Directors present their report for Manhattan Corporation Limited ("Manhattan" or "the Company") and its subsidiaries ("the Group") for the half year ended 31 December 2020.

RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members of Manhattan Corporation for the half year to 31 December 2020 was \$358,264 (31 December 2019: \$282,188).

OVERVIEW

During the half year ended December 2020, Manhattan Corporation Limited (MHC or the Company) continued to advance the Tibooburra Gold Project, with the receipt of assays from its initial Reverse Circulation (RC) drill programme at New Bendigo as well as completing further RC, diamond and Aircore drilling.

MHC received analytical results from its maiden drilling programme at New Bendigo where drilling discovered a new mineralised Zone to the west of the historically mined "Main Zone". Drilling returned 7m at 18.16 g/t Au from 87m (NB0023). Drilling on the main zone returned 2m at 17.30 g/t Au from 87m (NB0021), 2m at 13.71 g/t Au from 89m (NB0032) and 2m at 9.28 g/t Au from 73m (NB0027).

New Bendigo RC Drilling

May to July 2020

MHC released drill results from the Maiden RC Drilling programme at the Tibooburra Gold Project that was completed during the June 2021 Quarter with assays returned during July 2020. In total, thirty-two (32) RC Drill Holes (NB0001-0032) were completed for 3,020 metres.

Drilling targeted and proved:

- the down-plunge extension of the interpreted north-plunging, high-grade shoots; and
- potential for parallel shoots located either underneath or parallel to the initial lode (s) that was first reflected by historical RAB drilling.

In addition to the planned programme, a further two RC Holes were completed approximately 250 metres to the west of the main zone to test shallow anomalism reported in historic RAB drilling.

The two southern holes returned intense and extensive quartz veined, silica, sericite and pyrite alteration zones of much greater intercepted thickness to that encountered from drilling completed within the main zone. Results from these precursory holes, include:

- 7m at 18.16 g/t Au from 87m (NB0023); and
- 5m at 1.12 g/t Au from 50m (NB0024)

Drilling completed on the historic line (Main Zone) at New Bendigo confirmed and strengthened the initial structural interpretation of a series of north plunging high grade shoots within a broader lower grade envelope. The limited drilling has defined the potential for at least three separate plunging shoots within the north and southern areas, which are open at depth.

Completed drilling conducted on the Main Zone has only encompassed a small portion of an elongated 5km long soil anomaly, where historic workings extend over 1.7 km of strike. These shoots remain open down-plunge (under transported cover to the north) with the deeper shoots also open to the south. Drilling returned significant results, including:

- 2m at 17.30 g/t Au from 87m (NB0021)
- 2m at 13.71 g/t Au from 89m (NB0032)
- 2m at 9.28 g/t Au from 73m (NB0027)
- 2m at 3.14 g/t Au from 14m (NB0006)
- 1m at 6.24 g/t Au from 20m (NB0031)

Directors' Report (Continued)

New Bendigo RC Drilling August to September 2020

MHC completed Forty (40) RC Drill Holes (NB0033-0072) for 4,895 metres during August and September 2020. Drilling focused on the shallow nature of the mineralisation corridors with all drilling completed less than 200 metres vertically from surface.

Drilling successfully extended the mineralised footprint of the Main Zone to over 600 metres in strike and delineated further mineralisation on the "Western Lode". Drilling completed to date, still only covers a small portion of the anomalous area that extends for over 5 km in anomalous soils and ~2.8 km in historical workings (Main Zone 1.5km and Western Lode 1.3 km).

As part of this programme, MHC completed 22 RC holes for 2,772 metres at Main Zone. Drilling improved the understanding and structural interpretation of a series of north plunging high grade shoots within a broader lower grade envelope. Drilling returned significant mineralisation from the near surface high-grade central zone, including:

- 30m at 4.03 g/t Au from 11m (NB0033), which includes:
- 5m at 20.86 g/t Au from 11m; and
- 14m at 1.03 g/t Au from 25m, which includes:
- 1m at 4.83 g/t Au from 25 and
- 8m at 1.07 g/t Au from 33m

Further to the high-grade central zone, drilling successfully increased the mineralised footprint with RC drill coverage extended along strike to the south and north (100m and 80m respectively). The known strike extent of mineralisation now exceeds over 600 metres. Mineralisation remains open along strike to the south and the north and down-dip.

Drilling completed on the Main Zone has still only tested a small portion of an elongated >5km long soil anomaly, where historic workings extend over at least 1.5 km of strike along the interpreted Main Zone.

Drilling returned significant results, including:

- 2m at 2.19 g/t Au from 74m (NB0044)
- 2m at 3.04 g/t Au from 75m (NB0047)
- 3m at 1.71 g/t Au from 34m (NB0052)
- 3m at 1.55 g/t Au from 43m (NB0052)
- 3m at 1.88 g/t Au from 74m (NB0061)
- 6m at 1.11 g/t Au from 110m (NB0067)

In addition to the Main Zone drilling, MHC completed 16 RC holes for 1,913 metres on the "Western Lode". Drilling was aimed at defining the potential of the "Western Lode" where previous drilling reported 7m at 18.16 g/t Au (NB0023) and 5m at 1.12 g/t Au (NB0024).

Drilling was completed on planned section lines at regular intervals of approximately 40m north and 140 and 340m south along strike of RC holes NB0023 and NB0024 that were completed in May.

Drilling completed by MHC during this round intersected similar alteration and widths to that encountered by initial RC drilling completed in May. Significant results from the latest round of drilling include:

- 4m at 1.05 g/t Au from 28m (NB0034)
- 2m at 1.28 g/t Au from 13m (NB0037)
- 2m at 1.24 g/t Au from 20m (NB0037)
- 1m at 4.15 g/t Au from 122m (NB0039)
- 1m at 5.40 g/t Au from 1m (NB0056)

Directors' Report (Continued)

The mineralisation drilled at "Western Lode" has been traced from the current drilling to the south through a series of workings that extends for at least 1.3 kilometres. The higher-grade component intersected in drilling completed in May (NB0023) has been interpreted as being associated with nuggety coarse gold associated with quartz veining within the alteration sequence and an interpreted structure or kink that cuts north east through the Western Lode and Main Zone. This is further evidenced by a flexure in mineralisation identified in the recent drilling.

New Bendigo – Diamond Drilling

December 2020

MHC completed three diamond holes (NBD0001-03) of a planned eight-hole programme during the period. MHC has received assays for one diamond hole (NBD0001) and partial assays for a second diamond hole (NBD0002 0 -37m received out of a hole drilled to 54.7m).

Drilling on the Main Zone intersected broad zones of fractured, veined and crackle brecciated quartz pyrite altered black shales proximal to the historic workings in fresh rock (NBD0001). Similar textured and weathered alteration (fractured, crackle brecciated, veined and ex-sulphidic material) in oxidised core was intersected in NBD0002 that was cored from surface south of recent RC drilling that returned 30m at 4.03 g/t Au from 11m (NB0033), including 5m at 20.86 g/t Au from 11m.

Significant mineralisation has been returned from NBD0001 (32m at 0.22 g/t Au from 81m) and the partial return of assays from NBD0002 (32m at 0.39 g/t Au from 5m) that is associated with the above-mentioned broad altered and fractured zones.

These results combined with the new zone discovered to the south of Main Zone has significantly enhanced the interpretation of the structural controls on mineralisation. Preliminary interpretation of drilling indicates that the mineralisation exploited by historical mining and high-grade drill intersections such as 30m at 4.03 g/t Au (NB0033) is associated with NE trending sinistral faulting where it intersects the broader lower-grade mineralisation associated with the NNW trending New Bendigo Fault System.

The completed diamond holes are interpreted as being drilled on the periphery of the NE trending structure and hence the higher-grade mineralisation, specifically where drilling ~7m south of NB0033 (30m at 4.03 g/t Au) returned 32m at 0.39 g/t Au from 5m (NBD0002) within oxidised core, with assays from the bottom of the hole yet to be received.

This initial interpretation of the completed diamond core at New Bendigo continues to confirm the continuity of lower grade mineralisation within a wide NNW trending shear zone and strengthens MHC's understanding that the controls on the high-grade mineralisation are associated and are likely to have a similar orientation to the NE cross cutting faults and shears.

MHC in conjunction with its specialist structural geologist plans to complete a thorough structural interpretation of the core completed to date in conjunction with the recommencement of RC and diamond drilling targeting further discoveries and expansion of high-grade zones that are associated with high strain features intersected in core that cut across the dominant regional shear system.

Assays from diamond hole NBD0003 completed on the "Western Lode" remain pending. NBD0003 intersected broad zones of strong to intense silica, sericite, pyrite and (+/-) fuchsite altered shales, siltstones and sandstones interbedded with fractured, veined and brecciated quartz, pyrite altered black shales proximal to RC hole NB0023 that returned 7m at 18.16 g/t on the "Western Lode".

Directors' Report (Continued)

New Bendigo – Aircore Drilling November-December 2020

MHC completed 105 Aircore drillholes (NBAC0001-105) for a total of 4,863m targeting geochemical responses and shallow near surface mineralisation at its New Bendigo Prospect in late 2020. Drilling covered approximately 4 kilometres of prospective strike along the New Bendigo fault zone, targeting local extensions to and near the current known mineralised zones, and regionally to define the location and extent of the fault and shear system and outline further prospective mineralised zones to that already defined at Main Zone and “Western Lode”.

All assays have been received from the programme that successfully delivered two high priority targets for immediate follow up drilling, this includes a new discovery to the south of the Main Zone.

Aircore drilling 500m along strike (SSE) of the Main Zone at the New Bendigo Prospect returned 12m at 1.14 g/t Au including 4m at 2.50 g/t Au from surface (NBAC0103) (Figure 1) associated with a zone of workings that extends for at least 600m within an interpreted sinistral fault structure where it cuts through the New Bendigo Fault Zone. MHC is encouraged by the drilling completed to date, with parts of the programme intersecting logged structures, alteration, and mineral assemblages like those noted within the New Bendigo Main Zone and “Western Lode”.

Further to the new zone above, a broad spaced (~50m) regional traverse line drilled approximately 2km south of the main zone, where no drilling had been completed to date. returned anomalous results on a significant regional structure. Drilling returned 8m at 0.42 g/t Au from 64m (NBAC0059), including 4m at 0.69 g/t and 3m at 0.50 g/t Au from 76m to the end of hole (NBAC0062).

In addition to the identification of these two priority areas that require immediate follow-up drilling, drilling delivered significant technical knowledge on the localised mineralisation and how it sits within the broader regional geology. This includes the significance of the New Bendigo Fault Zone and its associated splays and its interaction with other shears and faults, especially the NE trending intersecting faults within the region.

MHC feels the data gathered combined with the technical and structural data from the diamond drilling, will significantly strengthen MHC's ability to target further mineralisation with an enhanced geological model at New Bendigo and regionally, including the >30km of mineralised corridor that New Bendigo, Clone and Pioneer are located within.

This is evident where the structures, particularly the NE faults cross cutting the main New Bendigo fault are associated with high-grade mineralisation as identified at “Main Zone”, “West Lode” and potentially the newly discovered “South Zone”.

Drilling is scheduled to resume in March, specifically targeting the newly discovered zone and the extensions to “Main Zone” and “Western Lode” along the NE trend that has not been tested.

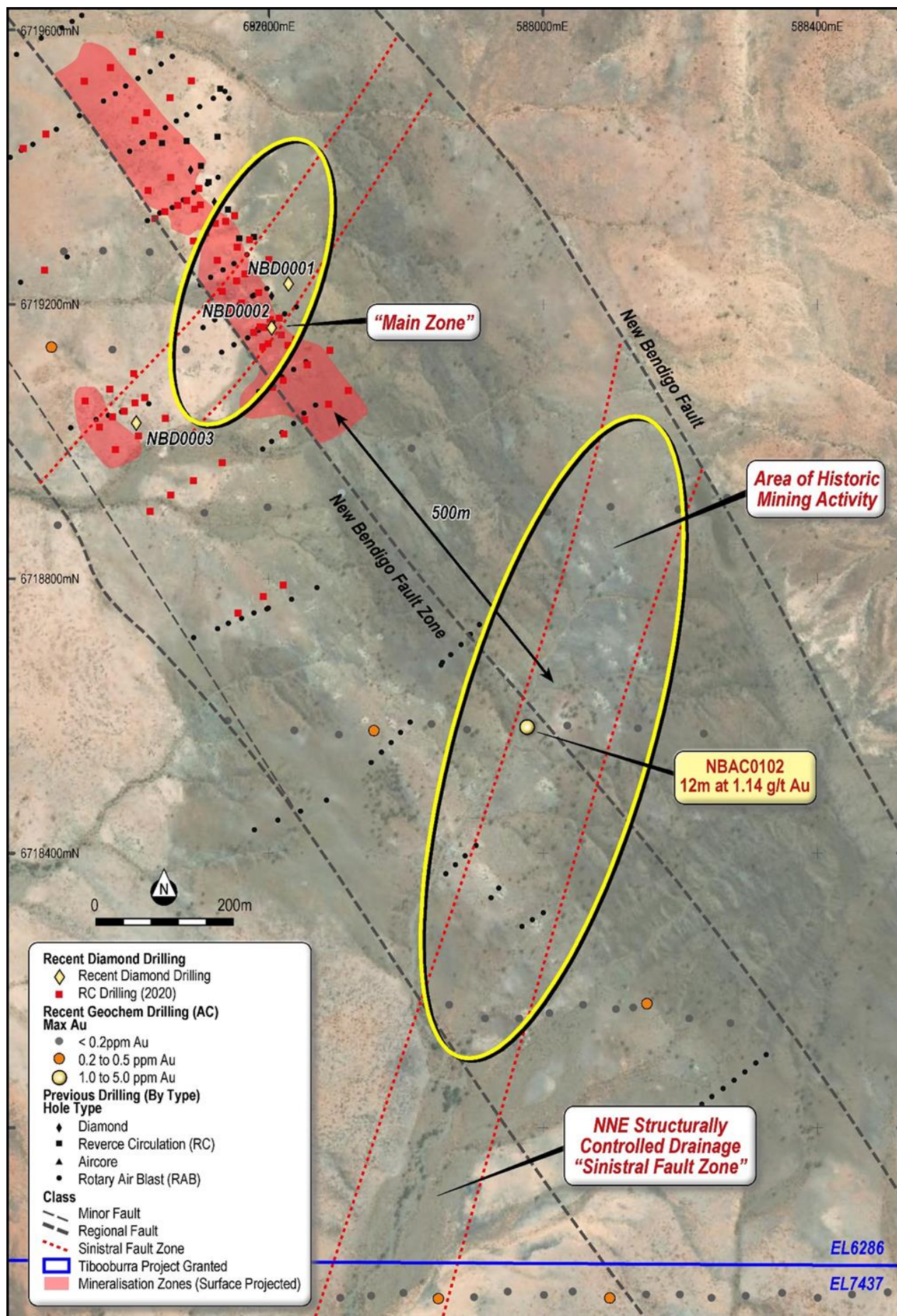


Figure 1: New Bendigo – Recent Aircore & Diamond Drilling with Interpreted Structures

Directors' Report (Continued)

Clone Prospect

During a review of the data, MHC outlined additional mineralisation at a prospect named "Clone" that is located approximately 7 km to the NNW of New Bendigo. "Clone" comprises historical mining shafts (Figure 2) down to an estimated 20-30 metres below surface, covering a similar extent of strike (~450 metres) to that found at New Bendigo's "Main Zone". "Clone" occurs within a similar geological setting (lithological and structural) to "Main Zone" and has reported historical rock chip sampling of quartz vein material of up to 25.6 g/t Au (Sample No. AGC000918 584,403E, 6,725,513N MGA94_Z54). Further historic trenching that has been undertaken ~150m east of the main line of historic workings has uncovered further untested mineralised veins.

MHC plans to complete initial RC drill testing at Clone as part of a broader RC programme to be completed over the New Bendigo area in 2021.



Figure 2: Clone – Extensive Historical workings

Directors' Report (Continued)

New Tibooburra Gold Project EL Acquisition

ELA 5939 was granted during the period as EL 9010. The new EL adds a further 83 km² (Table 1) covering an area strategically located between MHC's existing tenure and ELA No. 5912 (Figure 3). In addition to the ELA's strategic location, historic drilling completed by BP Minerals Australia (BP 1984 & BP 1984a) has reported highly encouraging percussion drill intercepts from magnetic sediments and banded iron units, drilling returned up to:

- 6m at 1.97% Cu from 58m (NM-P2) and
- 6m at 0.87% Cu from 64m (NM-P3)

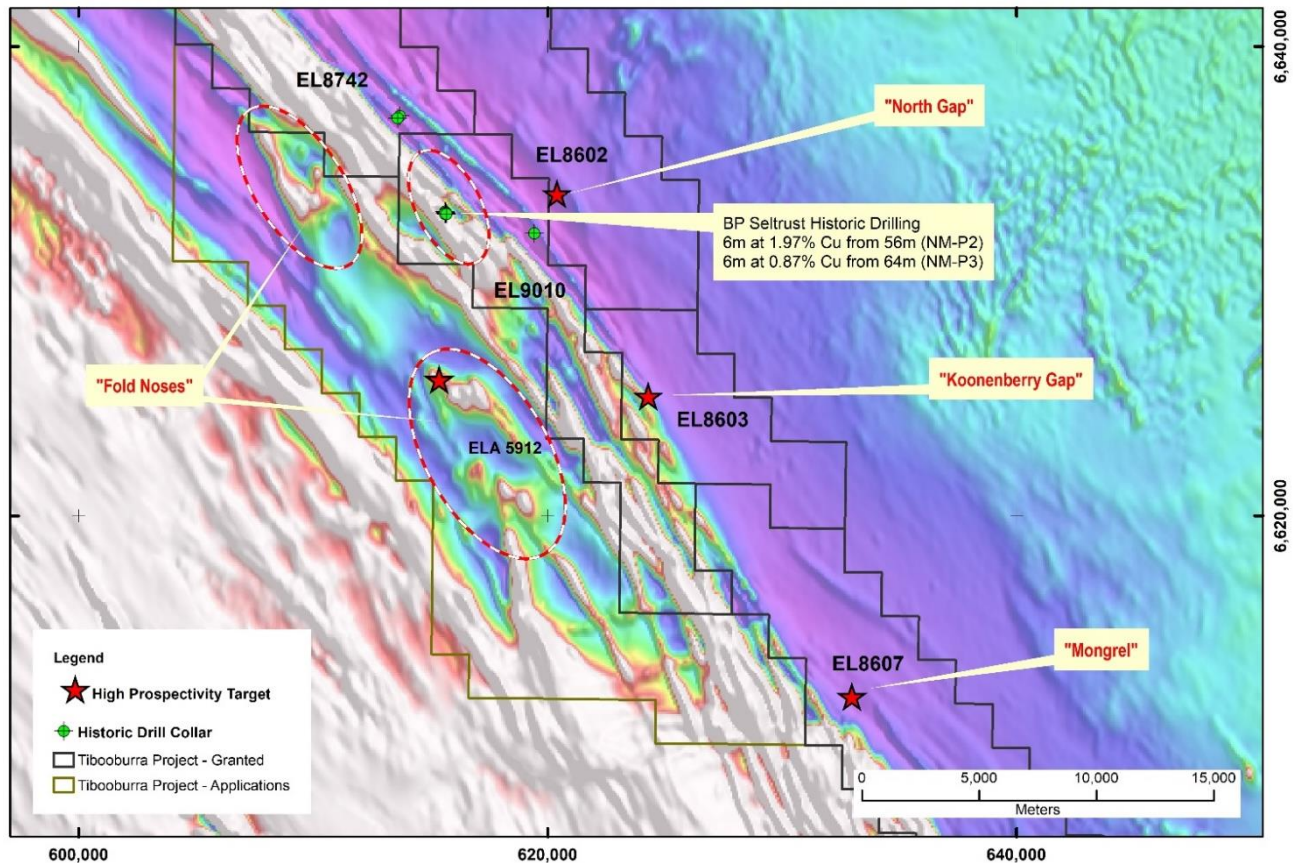


Figure 3: New EL at Tibooburra in relation to current licences with high-priority targets (Aeromagnetic TMI RTP Background)

New Tibooburra Gold Project ELA's Applications

MHC applied for a further two Exploration Licences (EL) during the period, these additional ELA's were acquired to cover additional prospective targets at Tibooburra, including:

- **Blindside (ELA 6146)**, that comprises an elongated offset circular feature similar to that encountered at Big Ego. The circular feature is associated with an interpreted intrusive diatreme with a demagnetised shadow located along a NNW trending shear system.
- **Ted's Wife (ELA 6052)** that lies to the NW of the Koonenberry Fault Application (ELA 6036), where an interpreted cross cutting structure intercepts the Koonenberry Fault. This cross-cutting structure appears to host and control two large intrusive bodies to the east of the fault and have modelled dimensions of 2,500 x 1,500m, and 600m x 600m (from magnetic data). The prospect is principally a gold target displaying good structural preparation on a large-scale structure, and the intrusives could potentially be a source and driver of hydrothermal fluids in surrounding structures. The intrusive bodies may also have base metal potential dependent upon their lithologies.

The new ELA's (No. 6052 & 6146) adds a further 276 km² to MHC existing tenure that now covers a total area ~2,196 km² (Table 1) within the region.

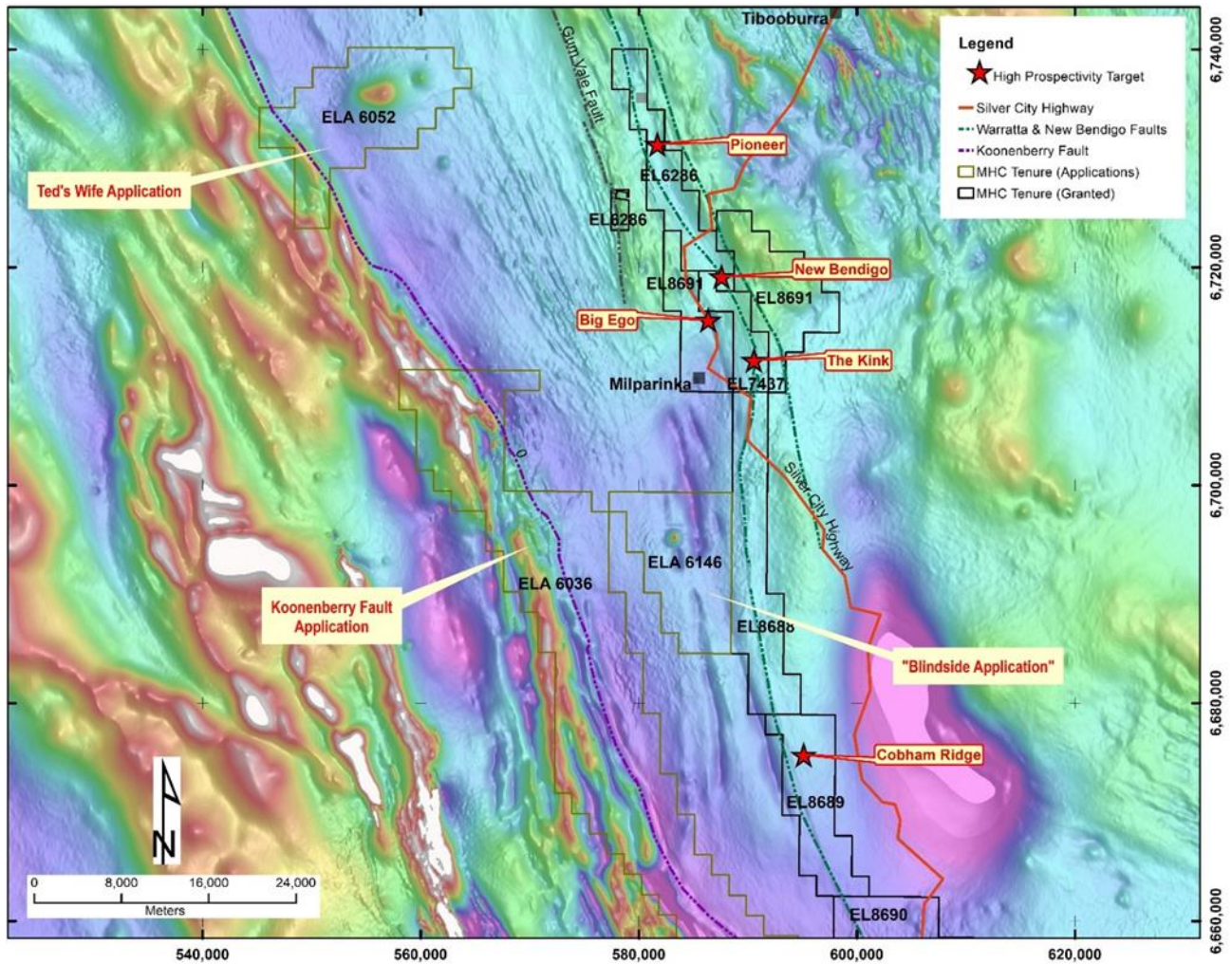


Figure 4: New EL applications at Tibooburra in relation to current licences with high-priority targets (Aeromagnetic TMI RTP Background)

Table 1. Tibooburra Gold Project - Tenements

Project Area	Tenement Number	Registered Holder	Date Granted	Expiry Date	Commodity Group	Area (Sq.km)	Area (Units)
Northern Licences	EL 6286	Awati Resources Pty. Ltd. (100%)	23/08/2004	23/08/2020	Group 1	73.9	25
	EL 7437		15/02/2018	23/12/2020	Group 1	32.8	11
	EL 8691		2/02/2018	2/02/2021	Group 1	137.3	46
	EL 8688		2/02/2018	2/02/2021	Group 1	110.2	37
Southern Licences	EL 8602		23/06/2017	23/06/2020	Group 1	145.2	49
	EL 8603		23/06/2017	23/06/2020	Group 1	50.3	17
	EL 8607		27/06/2017	27/06/2020	Group 1	147.8	50
	EL 8689		2/02/2018	2/02/2021	Group 1	80.2	27
	EL 8690		2/02/2018	2/02/2021	Group 1	115.7	39
	EL 8742		4/05/2018	4/05/2021	Group 1	115.6	39
	EL 9010		17/11/2020	17/11/2026	Group 1	83	28
Applications	ELA 5912		Pending - Applied 24/01/2020			Group 1	251
	ELA 6036	Pending - Applied 23/07/2020			Group 1	576	194
	ELA 6052	Pending - Applied 10/08/2020			Group 1	158.1	53
	ELA 6146	Pending - Applied 16/10/2020			Group 1	118.7	40
Total Area						2,196	740

Directors' Report (Continued)

JORC Code, 2012 Edition – Table 1

As required by ASX Listing Rule 5.7, the relevant information and Tables required for previously announced results under the JORC Code can be found in the following announcements:

In reference to results quoted for the Pioneer Prospect included in text and Figure 1 for drill holes AWPNO2A and TP003, results have been recalculated using an 0.5 g/t Au lower grade cut with a maximum of 2m of internal waste from the previously released results that were tabled with their respective JORC Tables by MHC on the 2nd December 2019, "Manhattan to Acquire New High-Grade Gold Project in NSW".

In reference to results quoted for the New Bendigo Prospect for drill holes using the prefixes "TIBRB" or "AW", results and their respective JORC Tables for the quoted intersections were reported and tabled by MHC on the 11th February 2020, "Drilling – Tibooburra Gold Project".

In reference to results quoted for the New Bendigo Prospect for drill holes NB0001-32, results and their respective JORC Tables for the quoted intersections were reported and tabled by MHC on the 25th June 2020, "New High-Grade Gold Discovery". Where Screen Fire Assays had been completed post the 25th June 2020 release on the quoted intersections, they were updated and tabled in that release along with their relevant JORC tables.

In reference to results quoted for the New Bendigo Prospect for drill holes NB0033-72, results and their respective JORC Tables for the quoted intersections were reported and tabled by MHC on the 12th October 2020, "Spectacular High-Grade Gold Continues at New Bendigo".

In reference to results quoted for the New Bendigo Prospect for drill holes NBAC0001-105 and NBD0001-003, results and their respective JORC Tables for the quoted intersections were reported and tabled by MHC on the 16th February 2021, "Aircore Discovers New Gold Zone".

References

BP 1984. BP Minerals Australia for Seltrust Mining Corporation Pty Ltd. *First Six Monthly Report for EL2248, Mipa. Period 28th June – 27th December 1984, Volume I.*

BP 1984a. BP Minerals Australia for Seltrust Mining Corporation Pty Ltd. *First Six Monthly Report for EL2248, Mipa. Period 28th December 1984 – 27th July 1985, Volume I.*

Greenfield J and Reid W, 2006. Orogenic gold in the Tibooburra area of north-western NSW – a ~440Ma ore system with comparison to the Victoria Goldfields. *ASEG Extended Abstracts, 2006:1, 1-8, DOI: 10.1071/ASEG2006ab059.*

Competent Persons Statement

The information in this Report that relates to Exploration Results for the Tibooburra Project is based on information review by Mr Kell Nielsen who is the CEO of Manhattan Corporation Limited and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Nielsen has sufficient experience which is relevant to this style of mineralisation and type of deposit under consideration and to the overseeing activities which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves". Mr Nielsen consents to the inclusion in the report of the matters based on his reviewed information in the form and context in which it appears.

Forward looking statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to third party actions, metals price volatility, currency fluctuations and variances in exploration results, ore grade or other factors, as well as political and operational risks, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other releases. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Directors' Report (Continued)

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Rothsay Auditing, to provide the Directors of the Consolidated Entity with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 12 and forms part of the Directors' Report for the half-year ended 31 December 2020.

Signed in accordance with a resolution of the Directors



Marcello Cardaci
Non-Executive Chairman
15 March 2021



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**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

As lead auditor of the review of Manhattan Corporation Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Manhattan Corporation Limited and the entities it controlled during the half-year.

Rothsay Auditing

Daniel Dalla
Partner

15 March 2021

Consolidated Statement of Comprehensive Income

	Consolidated	
	31 December 2020	31 December 2019
	\$	\$
Revenue from continuing operations		
Interest income	843	714
	<u>843</u>	<u>714</u>
Expenses		
Public company costs	(42,654)	(28,700)
Consulting and directors' fees	(215,440)	(127,124)
Legal fees	(9,836)	(55,401)
Impairment of exploration expenditure	(30,554)	(26,511)
Administrative expenses	(55,839)	(45,166)
Profit on sale of assets	2,727	-
Depreciation	(7,511)	-
Loss before income tax	<u>(358,264)</u>	<u>(282,188)</u>
Income tax expense	-	-
Net loss for the period	<u>(358,264)</u>	<u>(282,188)</u>
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(358,264)</u>	<u>(282,188)</u>
Loss per share attributable to owners of Manhattan Corporation Limited		
Basic and diluted loss per share (cents per share)	0.03	0.04

Consolidated Statement of Financial Position

		Consolidated	
	Notes	31 December 2020	30 June 2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		2,839,486	974,281
Trade and other receivables		191,137	159,870
TOTAL CURRENT ASSETS		3,030,623	1,134,151
NON-CURRENT ASSETS			
Property, plant and equipment		54,398	-
Deferred exploration and evaluation expenditure	4	2,711,816	1,546,142
TOTAL NON-CURRENT ASSETS		2,766,214	1,546,142
TOTAL ASSETS		5,796,837	2,680,293
CURRENT LIABILITIES			
Trade and other payables	5	310,136	73,225
TOTAL CURRENT LIABILITIES		310,136	73,225
TOTAL LIABILITIES		310,136	73,225
NET (DEFICIENCY) / ASSETS		5,486,701	2,607,068
EQUITY			
Issued capital	6	25,667,835	22,429,938
Reserves		5,112,350	5,112,350
Accumulated losses		(25,293,484)	(24,935,220)
TOTAL EQUITY		5,486,701	2,607,068

Consolidated Statement of Cash Flows

	Consolidated	
	31 December 2020	31 December 2019
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(332,113)	(203,009)
Interest received	843	714
NET CASH USED IN OPERATING ACTIVITIES	(331,270)	(202,295)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for fixed asset	(61,909)	-
Receipts for sale of assets	2,727	-
Expenditure on exploration	(982,240)	(26,511)
NET CASH USED IN INVESTING ACTIVITIES	(1,041,422)	(26,511)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	3,405,000	925,000
Share issue costs	(167,103)	(55,500)
NET CASH FROM FINANCING ACTIVITIES	3,237,897	869,500
Net (decrease) / increase in cash held	1,865,205	640,694
Cash and cash equivalents at beginning of period	974,281	1,031,661
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,839,486	1,672,355

Consolidated Statement of Changes in Equity

	Issued capital \$	Accumulated losses \$	Share based payment reserves \$	Total \$
At 1 July 2019	20,560,438	(24,404,455)	4,857,328	1,013,311
Loss for the year	-	(282,188)	-	(282,188)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	(282,188)	-	(282,188)
Transactions with owners in their capacity as owners				
Issue of share capital	925,000	-	-	925,000
Share issue costs	(55,500)	-	-	(55,500)
At 31 December 2019	21,429,938	(24,686,643)	4,857,328	1,600,623
At 1 July 2020	22,429,938	(24,935,220)	5,112,350	2,607,068
Loss for the period	-	(358,264)	-	(358,264)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	(358,264)	-	(358,264)
Transactions with owners in their capacity as owners				
Issue of share capital	3,405,000	-	-	3,405,000
Share issue costs	(167,103)	-	-	(167,103)
At 31 December 2020	25,667,835	(25,293,484)	5,112,350	5,486,701

Notes to the Financial Statements

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

1. CORPORATE INFORMATION

The financial report of Manhattan Corporation Limited ("Manhattan Corporation" or "the Company") and its controlled entities ("the Group") for the half-year ended 31 December 2020 was authorised for issue in accordance with a resolution of the Directors on 15 March 2021.

Manhattan Corporation Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Financial Report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Financial Statements are for the consolidated entity consisting of Manhattan Corporation Limited and its subsidiaries. The Financial Statements are presented in the Australian currency. Manhattan Corporation Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the Directors on 15 March 2021. The Directors have the power to amend and reissue the financial statements.

Basis of Preparation

These general purpose condensed consolidated financial statements for the half-year ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001, as appropriate for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the company as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of the Company as at 30 June 2020.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 31 December 2020 and to the date of this report in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going Concern

The Group incurred a loss for the half-year of \$358,264 (2019: \$282,188) and a net cash outflow from investing activities of \$1,041,422 (2019: \$26,511). At 31 December 2020 the Group had cash assets of \$2,839,486 (30 June 2020: \$974,281). In the six months to 31 December 2020 the Company raised \$3,405,000 before costs.

The Company maintains the ongoing support of its major shareholders and capital markets advisers in ensuring continuing access to equity funds. The Company is confident that if required, it will be able to access additional funds through the equity markets to allow for operating and investing activities to continue. Based on this information, the Directors consider it appropriate that the financial statements be prepared on a going concern basis.

Notes to the Financial Statements (Continued)

3. SEGMENT INFORMATION

The Group operates in one segment, being mineral resource exploration and assessment of mineral projects in Australia.

4. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	31 December 2020	30 June 2020
	\$	\$
At beginning of the period	1,546,142	-
Exploration expenditure during the period	1,196,228	573,058
Acquisition of Awati exploration asset	-	1,001,235
Impairment loss	(30,554)	(28,151)
Total exploration and evaluation	<u>2,711,816</u>	<u>1,546,142</u>

The ultimate recoupment of costs carried forward for exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas. The impairment loss relates to the withdrawal from tenements held in Australia that the Group has made a decision not to continue exploration and wrote down the carrying value to nil.

5. TRADE AND OTHER PAYABLES (CURRENT)

	Consolidated	
	31 December 2020	30 June 2020
	\$	\$
Trade creditors	284,288	19,346
Accruals	26,000	44,500
Other creditors	(152)	9,379
	<u>310,136</u>	<u>73,225</u>

Trade payables and other creditors are non-interest bearing and will be settled on 30 to 60 day terms. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

Notes to the Financial Statements (Continued)

6. ISSUED CAPITAL

	Consolidated	
	31 Dec 2020 \$	30 Jun 2020 \$
(a) Issued capital		
Ordinary shares fully paid	25,667,835	22,429,938

	31 December 2020		30 June 2020	
	Number of shares	\$	Number of shares	\$
(b) Movement in shares on issue				
At beginning of the period	1,126,278,693	22,429,938	741,278,693	20,560,438
Issue for cash	200,000,000	3,405,000	185,000,000	925,000
Consideration shares Awati acquisition	-	-	200,000,000	1,000,000
less fundraising costs	-	(167,103)	-	(55,500)
At 31 December / 30 June	1,326,278,693	25,667,835	1,126,278,693	22,429,938

(c) Share options

At 31 December 2020, there were 514,000,001 unissued ordinary shares under options (30 June 2020: 514,000,001 options). The details of the options and performance shares are as follows:

Description	Number	Exercise Price \$	Expiry Date
Listed Options	100,000,001	0.01	1 August 2023
Listed Options – Awati acquisition	100,000,000	0.01	1 August 2023
Performance shares – Awati acquisition	300,000,000	Nil	6 April 2025
Unlisted incentive options	14,000,000	0.01	28 April 2023
Total	514,000,001		

No option holder has any right under the options to participate in any other share issue of the Group or any other entity. No options were issued during the period.

7. RELATED PARTY TRANSACTIONS

There were no new related party transactions for the period.

8. NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing or financing activities during the half-year ended 31 December 2020.

9. SUBSEQUENT EVENTS AFTER END OF FINANCIAL YEAR

There were no subsequent events after the end of the half-year.

10. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are of the opinion that there are no contingent liabilities or contingent assets as at 31 December 2020.

Directors' Declaration

In the opinion of the Directors of Manhattan Corporation Limited ("**Manhattan**"):

- (a) The Financial Statements comprising the Consolidated Statements of Comprehensive Income, Financial Position, Cash Flows, Statement of Changes in Equity and the Notes to Accompany the Financial Statements as set out on pages 13 to 19 are in accordance with the *Corporations Act 2001*, and:
 - (i) comply with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the financial position of Manhattan as at 31 December 2020 and of its performance for Half Financial Year ended on that date;
- (b) In the Directors' opinion, there are reasonable grounds to believe that Manhattan will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Marcello Cardaci
Non-Executive Chairman
15 March 2021



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**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
MANHATTAN CORPORATION LIMITED**

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Manhattan Corporation Limited ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-Year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor's review report.





Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Rothsay Auditing

Dated 15 March 2021

Daniel Dalla
Partner