MANHATTAN

MANHATTAN CORPORATION LIMITED

MARCH QUARTER 2018
HIGHLIGHTS

- ***Manhattan is progressing with its planned RTO and merger with unlisted New Zealand iron and heavy mineral sands development company, Trans-Tasman Resources Limited (TTR), as announced to ASX on 23 January 2018***

- ***The two companies have entered into a merger and implementation agreement (MIA) that, with shareholder approvals of both companies, will result in Manhattan acquiring the issued capital in TTR in return for the issue Manhattan ordinary shares and relisting Manhattan's shares on ASX***

- ***TTR has a granted Mining Licence and EPA environmental approvals in place to develop large, world class shallow marine titano-magnetite deposits offshore on the West Coast of the North Island in the South Taranaki Bight (STB)***

- ***TTR's most advanced STB project has delineated JORC (2012) Inferred and Indicated iron sand resources in the project Mining Areas of 1,043Mt @ 11.28% Fe_2O_3 using a 3.5% DTR cut-off grade***

- ***TTR has also delineated additional inferred and indicated mineral resources, in the adjacent STB area outside of the Mining Areas, of 2,137Mt @ 9.66% Fe_20_3 available for future mine development***

- ***The New Zealand High Court hearing of the Appeals to the EPA's grant of TTR's marine and discharge consents took place in Wellington over four days from 16 to 19 April 2018***

- ***The High Court's judgment on the Appeals will be delivered in the second quarter of 2018. The anticipated dismissal of the Appeals will pave the way to finalise the BFS to finance and develop the STB iron sands project***

- ***TTR's second project is the granted Prospecting Permit covering 4,436km^2 Westland Sands project off the West Coast of the South Island prospective for seafloor deposits of heavy iron-rich mineral sands known to host ilmenite, zircon, rutile, garnet and gold***

- ***This RTO and merger offers Manhattan shareholders, and new investors, exposure to the potential development of a world-class offshore titano-magnetite and heavy mineral sands mining projects***

- ***Manhattan's Ponton uranium project in WA is in good standing and we are assessing the way forward with this project subject to market conditions***

- ***WA Labor government's policies not to approve new uranium mines, or allow mineral exploration in A Class reserves, suggests there is little likelihood of progressing the Ponton uranium project over the four year term of the present WA Labor government***

- ***SPOT MARKET 62% IRON ORE FINES IS US$66 TONNE WHILST URANIUM OXIDE REMAINS DEPRESSED AT US$21.20 POUND***

REVIEW OF OPERATIONS

INTRODUCTION

Manhattan Corporation Limited's (**Manhattan**) flagship Ponton uranium project is located approximately 200km northeast of Kalgoorlie on the edge of the Great Victoria Desert in WA. The Company has 100% control of around 460km^2 of exploration tenements underlain by Tertiary palaeochannels within the Gunbarrel Basin. These palaeochannels are known to host a number of uranium deposits and drilled uranium prospects (Figures 1 & 2).

The Company has drill tested and defined relatively shallow (50 to 70 meters deep) palaeochannel sand hosted uranium mineralisation amenable to in-situ metal recovery (**ISR**).

FIGURE 1: MANHATTAN'S PONTON URANIUM PROJECT

On 23 January 2017 Manhattan reported an upgraded JORC Code 2012 Inferred Resource for the Double 8 uranium deposit at Ponton in WA of 26 million tonnes (**Mt**), for 17.2 million pounds (**Mlb**) grading 300ppm uranium oxide (**U_3O_8**) at a 200ppm cutoff.

The Inferred Resource estimate reported for Ponton project is:

- Double 8 uranium deposit of 17.2Mlb U_3O_8 at 200ppm cutoff.

Exploration Results at Ponton, reported on 7 February 2014, have also identified four wide spaced drilled Exploration Targets with tonnage ranges of 4 to 45Mt, grade ranges of 250 to 450ppm U_3O_8 totalling 33 to 67Mlb U_3O_8 at the 200ppm U_3O_8 cutoff. In accordance with clause 17 of the JORC Code 2012, the potential quantity and grade reported as Exploration Targets in this Report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a Mineral Resource and it is uncertain if further exploration and drilling will result in the determination of a Mineral Resource.

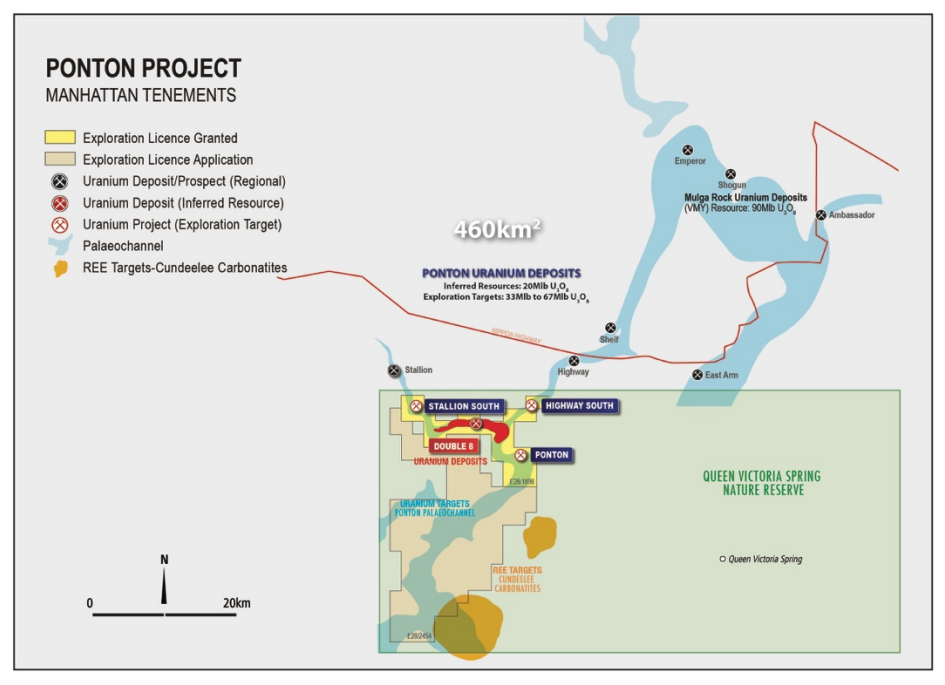
The four Exploration Targets reported for the Ponton project are:

- Double 8 of between 2.5 and 5.5Mlb U_3O_8;
- Stallion South of between 8 and 16Mlb U_3O_8;
- Highway South of between 8 and 16Mlb U_3O_8; and
- Ponton of between 15 and 30Mlb U_3O_8

The Double 8 Inferred Resource estimate and the Double 8, Stallion South, Highway South and Ponton Exploration Targets reported here were prepared by the Company's independent resource consultants H&S Consultants (**H&SC**).

The Double 8 uranium deposit and the Double 8, Stallion South, Highway South and Ponton Exploration Targets are all located on granted exploration licence, E28/1898, located within the Queen Victoria Spring Nature Reserve (**QVSNR**) (Figures 2 & 3).

FIGURE 2: MANHATTAN'S PONTON TENEMENTS



The two Mineral Resource estimate reported in January 2017, and the four Exploration Targets previously reported in 2014, are based on actual exploration results including Uranio's and Manhattan's aircore and sonic drilling of over 788 holes for 55,553 metres of drilling along the palaeochannels immediately to the north of QVSNR from 2009 to 2016, over 70km of conductive palaeochannels defined by the Company's airborne EM and magnetic surveys within, and to the north of, the QVSNR (Figure 3) and uranium mineralised sands discovered in previous drilling of 114 holes and 6,900 metres of drilling and down hole gamma logging by PNC Exploration (**PNC**) and Uranerz Limited (**Uranerz**) in the area in the 1980's.

Whilst a proposal has been developed to excise granted E28/1898 (that equates to 6% or 160km^2 of the 2,700km^2 QVSNR) from the QVSNR by a Reserves Amendment Bill in the WA parliament this proposal is now on hold. The WA State Labor government's policies of not to approve any new uranium mines, or permit mineral exploration in A Class reserves, suggests there is little likelihood of progressing the exploration and development of the Ponton uranium project over the next four year term of the present WA government.

REVIEW OF PROJECTS

1. PONTON PROJECT (WA)

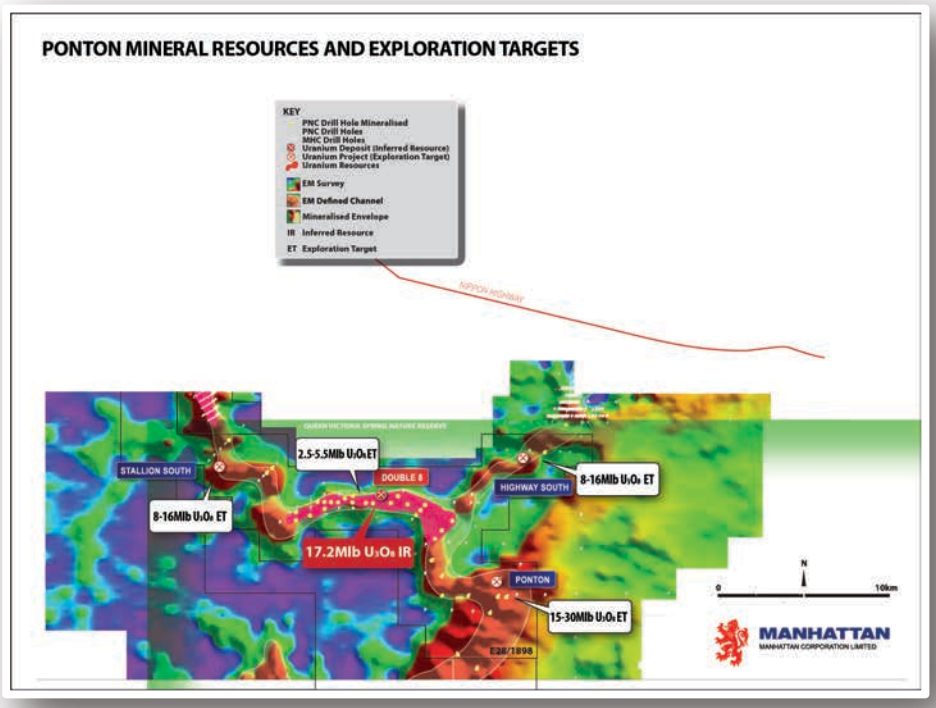
Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

The Ponton project area is underlain by Tertiary palaeochannels within the Gunbarrel Basin. Carbonaceous sand hosted uranium mineralisation, below 40 to 70 metres of cover, has now been defined by drilling along 55 kilometres of the palaeochannels at Stallion, Stallion South, Double 8, Ponton, Highway, Highway South and Shelf uranium deposits and prospects (Figure 3). At a depth of 40 to 70 metres the uranium mineralisation is in shallow reduced sand hosted tabular uranium deposits in a confined palaeochannel that is potentially amenable to ISR metal recovery, the lowest cost method of producing yellowcake with the least environmental impact.

Within E28/1898 approximately 6,900 metres of drilling, in 114 drill holes, was drilled and down hole gamma logged by PNC and Uranerz in 1983 to 1986. This drilling discovered the palaeochannel sand hosted uranium mineralisation at Double 8, Stallion South, Highway South and Ponton (Figure 3). Manhattan has obtained and compiled all the PNC and Uranerz exploration results including the geological drill logs, assay results, down hole gamma logs, logging tool calibrations and estimated disequilibrium factors. These drill logs and gamma logs have been digitised and verified by Manhattan's independent consultants.

In 2009 Uranio drilled 1,683 metres of aircore in 20 holes and from December 2009 to September 2016 Manhattan drilled over 53,870 metres of aircore and sonic drilling in 768 holes along the palaeochannels at Ponton to the north of the QVSNR. Manhattan and Uranio's exploration and drilling results and the historic PNC and Uranerz data have been reviewed and the Inferred Resource Mineral Resource estimated for the Double 8 deposit and the Exploration Targets reported for Double 8, Stallion South, Highway South and Ponton prospects.

FIGURE 3: DOUBLE 8 INFERRED RESOURCES (IR)
DOUBLE 8, STALLION SOUTH, HIGHWAY SOUTH & PONTON EXPLORATION TARGETS (ET)



2. DOUBLE 8 URANIUM DEPOSIT (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

The Double 8 uranium deposit is located in granted tenement E28/1898 in the southwest of the project area within the QVSNR (Figures 2 & 3).

DOUBLE 8 INFERRED RESOURCE ESTIMATES

An Inferred Resource of 7,800 tonnes (17.2Mlb) of uranium oxide at a 200ppm U_3O_8 cutoff for the Double 8 uranium deposit was reported on 23 January 2017. The reported resources are based on RC drilling by PNC in the mid 1980's. This information was prepared and first disclosed under the JORC Code 2004. This updated JORC Code 2012 resource estimate was prepared by H&SC.

Double 8 Inferred Resources

DOUBLE 8 INFERRED RESOURCE ESTIMATES				
CUTOFF GRADE eU_3O_8(ppm)	TONNES (MILLION)	GRADE eU_3O_8(ppm)	TONNES U_3O_8(t)	POUNDS (MILLION) U_3O_8(Mlb)
100	*110*	*170*	*18,700*	*42.0*
150	*51*	*240*	*12,240*	*26.0*
200	*26*	*300*	*7,800*	*17.2*
250	*14*	*360*	*5,040*	*11.0*

H&SC's resource estimate for the Double 8 uranium deposit is based on approximately 2,706m of drilling from 44 aircore holes drilled by PNC in the early 1980's along 10 kilometres of the palaeochannel at Double 8 (Figure 3). The drilling has covered an area of approximately 9 x 1.2 km of the Ponton palaeochannel. 40 holes were successfully logged for uranium decay products using a down hole gamma radiometric probe. The original analog gamma logging data has been digitized and recalibrated by the Company's consultants as digitized logs converted to eU_3O_8.

The uranium mineralisation at Double 8 remains open and is yet to be closed off by drilling. Manhattan considers that further drilling, on 100m x 400m centres, of the Double 8 deposit and Exploration Target will expand on the reported resources and targets and the confidence levels of reported resources will improve.

DOUBLE 8 EXPLORATION TARGET

The Double 8 Exploration Target, reported in January 2014, is based on 44 drill holes totalling approximately 2,700 metres of drilling and down hole gamma logs in areas of the deposit where drill spacing is considered too wide to define a Mineral Resource to an inferred resource status.

Double 8 Exploration Target

DOUBLE 8 EXPLORATION TARGET				
CUTOFF GRADE U_3O_8(ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U_3O_8(ppm)	TONNAGE RANGE U_3O_8(t)	POUNDS RANGE (MILLION) U_3O_8(Mlb)
200	*4 - 8*	*250 - 450*	*1,100 - 2,500*	*2.5 - 5.5*

In accordance with clause 17 of the JORC Code 2012, the potential quantity and grade reported as Exploration Targets in this Report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a Mineral Resource and it is uncertain if further exploration and drilling will result in the determination of a Mineral Resource.

Exploration Results have identified a drilled Exploration Target with uranium mineralisation potential, at a 200ppm U_3O_8 cutoff, at Double 8 of 4 to 8Mt grading 250 to 450ppm U_3O_8 containing 1,100 to 2,500 tonnes or 2.5 to 5.5Mlb of contained U_3O_8.

The uranium mineralisation at Double 8 remains open and is yet to be closed off by drilling. Manhattan considers that further drilling, on 100m x 400m centres, of the Double 8 deposit and Exploration Target will expand on the reported resources and targets and the confidence levels of reported resources will improve.

On gaining exploration access to E28/1898, and approval of Manhattan's Program of Work (**POW**) by the Department of Mines and Petroleum (**DMP**), the Company plans to complete infill resource definition drilling on 400 x 100m centres along the defined palaeochannel within the reported Inferred Resource and Exploration Target areas at Double 8. This drilling program, including the resource definition drilling planned for the Stallion South, Highway South and Ponton prospects, will be completed in approximately one year of POW approval (Figure 3).

3. STALLION SOUTH (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

Stallion South is located immediately to the south of Stallion and northwest of Double 8 along the Ponton palaeochannel. This prospect is within granted licence E28/1898 within the QVSNR (Figures 2 & 3).

The drilled uranium mineralisation at Stallion South is also hosted in palaeochannels within reduced carbonaceous sands and weathered granitic sands in a confined aquifer overlying crystalline granite basement.

STALLION SOUTH EXPLORATION TARGET

The Stallion South Exploration Target, reported in January 2014, is based on 13 drill holes totalling approximately 780 metres of drilling and down hole gamma logs. This drilling, on approximately 400m x 3km centres along the palaeochannel, is considered too wide to define a Mineral Resource to an inferred resource status.

Exploration Results have identified a drilled Exploration Target with uranium mineralisation potential at a 200ppm U_3O_8 cutoff, for Stallion South of 12 to 24Mt grading 250 to 350ppm U_3O_8 containing 3,600 to 7,300 tonnes or 8 to 16Mlb of contained U_3O_8.

Stallion South Exploration Target

STALLION SOUTH EXPLORATION TARGET				
CUTOFF GRADE U_3O_8(ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U_3O_8(ppm)	TONNAGE RANGE U_3O_8(t)	POUNDS RANGE (MILLION) U_3O_8(Mlb)
200	*12 - 24*	*250 - 350*	*3,600 - 7,300*	*8 - 16*

In accordance with clause 17 of the JORC Code 2012, the potential quantity and grade reported as Exploration Targets in this Report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a Mineral Resource and it is uncertain if further exploration and drilling will result in the determination of a Mineral Resource.

On gaining exploration access to E28/1898, and approval of Manhattan's POW by DMP, the Company plans to complete infill resource definition drilling on 400 x 100m centres along the defined palaeochannel at Stallion South. This drilling program, including the resource definition drilling planned for Double 8 and the Highway South and Ponton prospects, will be completed within approximately one year of POW approval (Figure 3).

4. HIGHWAY SOUTH (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

Highway South is centred 5km along the palaeochannel to the northeast of Double 8. This prospect is within granted licence E28/1898 within the QVSNR (Figures 2 & 3).

The drilled uranium mineralisation at Highway South is also hosted in palaeochannels within reduced carbonaceous sands and weathered granitic sands in a confined aquifer overlying crystalline granite basement.

HIGHWAY SOUTH EXPLORATION TARGET

The Highway South Exploration Target, reported in January 2014, is based on 33 drill holes totalling approximately 1,980 metres of drilling and down hole gamma logs. This drilling, on approximately 400m x 2km centres along the palaeochannel, is considered too wide to define a Mineral Resource to an inferred resource status.

Exploration Results have identified drilled Exploration Targets with uranium mineralisation potential at a 200ppm U_3O_8 cutoff, for Highway South of 12 to 24Mt grading 250 to 350ppm U_3O_8 containing 3,600 to 7,300 tonnes or 8 to 16Mlb of contained U_3O_8.

Highway South Exploration Target

HIGHWAY SOUTH EXPLORATION TARGET				
CUTOFF GRADE U_3O_8(ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U_3O_8(ppm)	TONNAGE RANGE U_3O_8(t)	POUNDS RANGE (MILLION) U_3O_8(Mlb)
200	*12 - 24*	*250 - 350*	*3,600 - 7,300*	*8 - 16*

In accordance with clause 17 of the JORC Code 2012, the potential quantity and grade reported as Exploration Targets in this Report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a Mineral Resource and it is uncertain if further exploration and drilling will result in the determination of a Mineral Resource.

On gaining exploration access to E28/1898, and approval of Manhattan's POW by DMP, the Company plans to complete infill resource definition drilling on 400 x 100m centres along the defined palaeochannel at Highway South. This drilling program, including the resource definition drilling planned for Double 8 and the Stallion South and Ponton prospects, will be completed within approximately one year of POW approval (Figure 3).

5. PONTON (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

Ponton is located along the palaeochannel to the southeast of Double 8. This prospect is within granted licence E28/1898 within the QVSNR (Figures 2 & 3).

The drilled uranium mineralisation at Ponton is also hosted in palaeochannels within reduced carbonaceous sands and weathered granitic sands in a confined aquifer overlying crystalline granite and Patterson Group shale basement.

PONTON EXPLORATION TARGET

The Ponton Exploration Target, reported in January 2014, is based on 24 drill holes totalling approximately 1,440 metres of drilling and down hole gamma logs. This drilling, on approximately 1km x 1km centres along the palaeochannel, is considered too wide to define a Mineral Resource to an inferred resource status.

Exploration Results have identified drilled Exploration Targets with uranium mineralisation potential, at a 200ppm U_3O_8 cutoff, for the Ponton prospect of 23 to 45Mt grading 250 to 350ppm U_3O_8 containing 6,800 to 13,600 tonnes or 15 to 30Mlb of contained U_3O_8.

Ponton Exploration Target

PONTON EXPLORATION TARGET				
CUTOFF GRADE U_3O_8(ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U_3O_8(ppm)	TONNAGE RANGE U_3O_8(t)	POUNDS RANGE (MILLION) U_3O_8(Mlb)
200	*23 - 45*	*250 - 350*	*6,800 - 13,600*	*15 - 30*

In accordance with clause 17 of the JORC Code 2012, the potential quantity and grade reported as Exploration Targets in this Report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a Mineral Resource and it is uncertain if further exploration and drilling will result in the determination of a Mineral Resource.

On gaining exploration access to E28/1898, and approval of Manhattan's POW by DMP, the Company plans to complete infill resource definition drilling on 400 x 100m centres along the defined palaeochannel at the Ponton prospect. This drilling program, including the resource definition drilling planned for Double 8 and the Stallion South and Highway South prospects, will be completed within approximately one year of POW approval (Figure 3).

6. MERGER & ACQUISITIONS

Proposed Merger with Trans-Tasman Resources Limited

In the first quarter of 2018 Manhattan continued to progress its plans to acquire a new resource project.

On 23 January 2018 Manhattan announced to ASX it has entered into a merger and implementation agreement (**MIA**) to acquire the assets of unlisted New Zealand based titano-magnetite iron sands development company, Trans-Tasman Resources Limited (**TTR**), by way of a reverse takeover (**RTO**).

TTR's most advanced project is its South Taranaki Bight (**STB**) iron sands project located 22km to 36km offshore from Patea of North Island NZ where TTR has delineated a JORC (2012) Inferred and Indicated mineral resource in the approved Mining Areas of the STB of 1,043Mt @ 11.28% Fe_2O_3 using a 3.5% DTR cut-off grade.

TTR has also delineated additional inferred and indicated mineral resources, in the adjacent STB area outside of the Mining Areas, of 2,137Mt @ 9.66% Fe_2O_3 available for future mine development.

TTR's second project is the granted Prospecting Permit covering 4,436km^2 Westland Sands project off the West Coast of the South Island prospective for high grade seafloor deposits of heavy iron-rich mineral sands known to host ilmenite, zircon, rutile, garnet and gold.

Following the end of the quarter, on 11 April 2018, Manhattan provided the markets with an update on the proposed RTO and merger. In order to allow further time for the preparation of meeting materials for the proposed meeting of Manhattan shareholders to approve the Transaction, and to satisfy the conditions precedent of the MIA, the parties agreed to extend the end date of the MIA from 31 May 2018 to 30 June 2018. In all other respects the MIA remains unchanged.

The New Zealand High Court appeals hearing (referred to in Manhattan's ASX announcement on 23 January 2018 as the "**Appeals**") to the EPA's grant of TTR's marine and discharge consents (the final environmental approvals required to develop the STB project) took place in Wellington over four days from 16 to 19 April 2018. The High Court's judgment on the Appeals is anticipated to be delivered in the second quarter of 2018.

On completion of the RTO and merger a capital raising via a prospectus issue to existing and new investors in TTR will be undertaken to fund the future exploration, mine development and working capital requirements of the Company.

Further information on the proposed merger including material terms, ASX compliance, control implications, proposed capital raising, corporate capital structure, balance sheet effects, the indicative timetable and a summary of the MIA are presented in Manhattan's 23 January 2018 ASX Announcement, previously circulated, and available on our website at www.manhattancorp.com.au

SUMMARY

Manhattan, along with TTR, now proposes to obtain their respective shareholder approvals for the proposed merger and then, subject to re-compliance with Chapters 1 and 2 of the ASX Listing Rules, to re-list the merged Company's shares on ASX.

Manhattan expects to provide shareholders with the documentation, including an independent expert's report where required, in relation to the transaction, to shareholders in the second quarter of 2018. On completion of the merger the Company will, subject to shareholder approval, be renamed TTR Corporation Limited.

This merger with TTR offers Manhattan shareholders, and new investors, exposure to the potential development of world-class offshore iron ore concentrate and heavy mineral sands mining projects.

We also consider the TTR acquisition represents an opportunity for Manhattan to secure an advanced resource project, outside of the WA uranium sector, that can be advanced through a bankable feasibility study (**BFS**) and create value for our investors.

Manhattan has maintained control of the key mining tenement holdings over the reported deposits, resources and defined exploration targets within the Ponton uranium project and the tenements are in good standing.

Manhattan's key licence at Ponton, E28/1898, is located within the remote QVSNR, 200km east northeast of Kalgoorlie. The proposal to excise granted E28/1898 from the QVSNR by a Reserves Amendment Bill in the WA parliament is now on hold. The WA state Labor government's policies of not to approve any new uranium mines, or to allow mineral exploration in A Class reserves, suggests there is little likelihood of progressing the exploration and development of the Ponton uranium project over the next four year term of the present WA government.

Manhattan intends to hold the Ponton uranium project tenements, with a view that the WA government's policies on uranium mine approvals and exploration access to reserves may change in the future and or the state Labor government is replaced by a government that is supportive of the industry.

ALAN J EGGERS
Executive Chairman
30 April 2018

COMPETENT PERSON'S STATEMENT

The information in this Report that relates to reported Exploration Results or Mineral Resources is based on information compiled by Mr Alan J Eggers, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Alan Eggers is a professional geologist and an executive director of Manhattan Corporation Limited. Mr Eggers has sufficient experience that is relevant to the style of mineralisation and type of mineral deposits being reported on in this Report and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves "JORC Code 2012". Mr Eggers consents to the inclusion in this Report of the information on the Exploration Results or Mineral Resources based on his information in the form and context in which it appears.