



Manas Resources Limited
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19 May 2015

Ms Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)
ASX Compliance Pty Limited
Level 40, Central Park
152 – 158 St Georges Terrace
Perth, WA 6000

e: elizabeth.harris@asx.com.au

Dear Ms Harris

APPENDIX 5B FOR THE PERIOD ENDED 31 MARCH 2015

We refer to your enquiry dated 14 May 2015 in relation to the Company's Appendix 5B for the period ended 31 March 2015 which was released to the ASX on 30 April 2015. ASX's queries followed by the Company's response follow:

- 1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter (and at the rate anticipated for the next quarter) indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?*

The Company has announced the Board's decision to consider sale offers for the Company's entire interest in the Shambesai Project (the Kyrgyz mineral assets as a whole), which process would be subject to shareholder approval prior to completion. The sales process is running concurrently with efforts for procurement of financing of the Shambesai Gold Project by way of a number of different structures. Negotiations are continuing with interested parties.

The Board is confident that it can raise working capital whilst this process is underway and that was demonstrated by the successful rights issue which was completed in March 2015, raising \$1.1 million.

- 2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?*

Yes, the Company will continue to have negative operating cash flows in the foreseeable future. Refer to (1) above in relation to the Board's strategy and the ability to raise working capital whilst the plans noted above are in the process of implementation and realisation.

3. *Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?*

Yes, the Company will continue to have negative operating cash flows in the foreseeable future. Refer to (1) above in relation to the Board's strategy and the ability to raise working capital whilst the plans noted above are in the process of implementation and realisation.

4. *What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?*

Refer to (1) and (2) above in relation to current strategy, capital raising plans and abilities.

5. *Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?*

Yes

6. *Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.*

The Company is in compliance with listing rule 12.2 with its financial condition warranting its continued quotation and listing. The Company's liquid assets exceed its liabilities and, as noted earlier, the Board believes the Company's assets and prospects are such that it has reasonable prospects for raising new capital.

Yours sincerely



Susmit Shah
Company Secretary



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14 May 2015

Mr Susmit Shah
Company Secretary
Manas Resources Limited
55 Salvado Road
Subiaco WA 6008

Dear Mr Shah

Manas Resources Ltd (“Company”)

I refer to the Company’s Quarterly Report in the form of Appendix 5B for the period ended 31 March 2015, released to ASX Limited (“ASX”) on 30 April 2015 (the “Appendix 5B”).

ASX notes that the Company has reported the following.

1. Receipts from product sales of nil.
2. Net negative operating cash flows for the quarter of \$775,000.
3. Cash at end of quarter of \$747,000.
4. Estimated cash outflows for the next quarter of \$700,000 on exploration and administration.

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter (and at the rate anticipated for the next quarter) indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company’s position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
5. Please comment on the Company’s compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to **Elizabeth.Harris@asx.com.au**. It should not be sent to the ASX Market Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **3.00 pm WST on Tuesday 19 May 2015**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries please let me know.

Yours sincerely,

[sent electronically without signature]

Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)