

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Manhattan Corporation Limited

ABN / ARBN:

61 123 156 089

Financial year ended:

30 June 2018

Our corporate governance statement² for the above period above can be found at:³

- These pages of our Annual Report:
- This URL on our website <https://manhattcorp.com.au/corporate/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 17 September 2018 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.



Eryn Kestel
Company Secretary

17 September 2018

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
|---|---|--|---|
| PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT | | | |
| 1.1 | A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> at https://manhattcorp.com.au/corporate/corporate-governance/ <input checked="" type="checkbox"/> in Board Charter which is located at https://manhattcorp.com.au/corporate/corporate-governance/ | |
| 1.2 | A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in the Notice of Annual General Meeting located at https://manhattcorp.com.au/investor-centre/asx-announcements/ | |
| 1.3 | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement | |
| 1.4 | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in Board Charter which is located at https://manhattcorp.com.au/corporate/corporate-governance/ | |

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
|---|---|---|---|
| 1.5 | <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> | <p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> and a copy of the diversity policy which is located at https://manhattcorp.com.au/corporate/corporate-governance/</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>Not Applicable</p> | <p>(c) <input checked="" type="checkbox"/> an explanation is provided in the Corporate Governance Statement regarding no measurable objectives have been set.</p> |
| 1.6 | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p> | <p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> in Performance Evaluation Process Charter located at https://manhattcorp.com.au/corporate/corporate-governance/</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |
| 1.7 | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p> | <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ | |
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| PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE | | | |
| 2.1 | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p>Not Applicable</p> <p>Not Applicable</p> <p><input checked="" type="checkbox"/> at https://manhattcorp.com.au/corporate/corporate-governance/</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 2.2 | <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p> | <p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
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| 2.3 | A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director. | ... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <input checked="" type="checkbox"/> in our Corporate Governance Statement <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in Directors Reports in 2018 Annual which is located at https://manhattcorp.com.au/investor-centre/asx-announcements/ | |
| 2.4 | A majority of the board of a listed entity should be independent directors. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement | |
| 2.5 | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement | |
| 2.6 | A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement | |
| PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY | | | |
| 3.1 | A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. | ... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at Directors' and Executive Officers Code of Conduct Charter at https://manhattcorp.com.au/corporate/corporate-governance/ | |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ | |
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| PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING | | | |
| 4.1 | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p>Not applicable</p> <p>Not applicable</p> <p><input checked="" type="checkbox"/> https://manhattcorp.com.au/corporate/corporate-governance/</p> <p>Not applicable</p> <p>Not applicable</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 4.2 | <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |
| 4.3 | <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
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| PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE | | | |
| 5.1 | A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it. | ... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at Continuous Disclosure Charter which is located at https://manhattcorp.com.au/corporate/corporate-governance/ | |
| PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS | | | |
| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | ... information about us and our governance on our website: <input checked="" type="checkbox"/> at https://manhattcorp.com.au/corporate/corporate-governance/ and <input checked="" type="checkbox"/> at https://manhattcorp.com.au | |
| 6.2 | A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in Shareholder Communication and Investor Relations Policy located at https://manhattcorp.com.au/corporate/corporate-governance/ | |
| 6.3 | A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders. | ... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in Shareholder Communication and Investor Relations Policy located at https://manhattcorp.com.au/corporate/corporate-governance/ | |
| 6.4 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement | |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ | |
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| PRINCIPLE 7 – RECOGNISE AND MANAGE RISK | | | |
| 7.1 | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p>Not applicable</p> <p>Not applicable</p> <p><input checked="" type="checkbox"/> at https://manhattcorp.com.au/corporate/corporate-governance/</p> <p>Not applicable</p> <p>Not applicable</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Risk Management Policy which is located at https://manhattcorp.com.au/corporate/corporate-governance/</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.2 | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |
| 7.3 | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | <p>[If the entity complies with paragraph (a):]</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
|---|---|--|---|
| 7.4 | A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. | <p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ | |
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| PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY | | | |
| 8.1 | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p>Not applicable</p> <p>Not applicable</p> <p><input checked="" type="checkbox"/> at https://manhattcorp.com.au/corporate/corporate-governance/</p> <p>Not applicable</p> <p>Not applicable</p> <p><input checked="" type="checkbox"/> in our Corporate Governance</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 8.2 | <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p> | <p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> at the Remuneration Report within the Directors' Report in the 2018 Annual Financial Report</p> <p>https://manhattcorp.com.au/investor-centre/asx-announcements/</p> | |
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p> | <p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Securities Dealing Policy</p> <p>https://manhattcorp.com.au/corporate/corporate-governance/</p> | |

Manhattan Corporation Limited
2018 CORPORATE GOVERNANCE STATEMENT –
Compliance with ASX Principles

| Corporate Governance Recommendation | | Is the Recommendation followed |
|--|---|--------------------------------|
| Principle 1 <i>Lay solid foundations for management and oversight</i> | | |
| 1.1 | Disclose roles and responsibilities of board and management | Yes |
| 1.2 | Undertake appropriate checks before appointing or electing a person as director | Yes |
| 1.3 | Written agreement with each director and senior executive | Yes |
| 1.4 | Company Secretary accountable directly to Board | Yes |
| 1.5 | Diversity Policy disclosures reported | No |
| 1.6 | Board performance evaluation undertaken | Yes |
| 1.7 | Senior executive performance evaluation undertaken | Yes |
| Principle 2 <i>Structure the Board to add value</i> | | |
| 2.1 | Nomination committee requirements met | No |
| 2.2 | Board skills matrix disclosed | Yes |
| 2.3 | Director Independence and tenure disclosed | Yes |
| 2.4 | Majority of the board are independent directors | Yes |
| 2.5 | Chair of the board is an independent director and not the same person as the MD | Yes |
| 2.6 | Director induction and ongoing training program | Yes |
| Principle 3 <i>Act ethically and responsibly</i> | | |
| 3.1 | Code of conduct available on website | Yes |
| Principle 4 <i>Safeguard integrity in corporate reporting</i> | | |
| 4.1 | Audit committee requirements met | No |
| 4.2 | MD and CFO financial statement declarations received | Yes |
| 4.3 | External auditors attend AGM and available to answer questions from securityholders | Yes |
| Principle 5 <i>Make timely and balanced disclosure</i> | | |
| 5.1 | Continuous Disclosure Policy available on website | Yes |
| Principle 6 <i>Respect the rights of securityholders</i> | | |
| 6.1 | Corporate and governance information available on website | Yes |
| 6.2 | Investor relations program | Yes |
| 6.3 | Processes to facilitate and encourage participation at securityholder meetings | Yes |
| 6.4 | Electronic securityholder communications functionality | Yes |
| Principle 7 <i>Recognise and manage risk</i> | | |
| 7.1 | Risk committee requirements met | No |
| 7.2 | Annual review of risk management framework | Yes |
| 7.3 | No internal audit function but internal control processes in place | Yes |
| 7.4 | Disclosure of material exposure to and management of economic, environmental and social sustainability risk | Yes |
| Principle 8 <i>Remunerate fairly and responsibly</i> | | |
| 8.1 | Remuneration committee requirements | Yes |
| 8.2 | Remuneration practices disclosed | Yes |
| 8.3 | Remuneration Policy disclosures regarding equity based remuneration | Yes |

Principle 1:*Lay solid foundations for management and oversight*

Establish and disclose the respective roles and responsibilities of the board and management and how their performance is monitored and evaluated

- 1.1 The Company should disclose
- (a) the respective roles and responsibilities of the board and management; and
 - (b) those matters expressly reserved to the board and those delegated to management

The Board of Manhattan Corporation Limited (Manhattan) monitors progress and performance on behalf of its shareholders, by whom it is elected and to whom it is accountable.

The Board had adopted a Board Charter, which outlines the specific responsibilities of the Board and those delegated to management which ensures that the Board discharges its responsibilities in an effective and capable manner.

The Board's primary responsibility is to be a custodian for the interests of its shareholders in addition to identifying areas of risk and opportunity and responding appropriately.

- 1.2 The Company should
- (a) undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director; and
 - (b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director

The Board, oversees the appointment, selection and induction process for directors. When a vacancy exists or there is need for particular skills, the Board determines the selection criteria based on the skills deemed necessary.

Each appointed director of the Company has undergone appropriate background checks (including character, experience, education, and insolvency).

Newly appointed directors must stand for election at the next general meeting of shareholders, following their appointment.

Manhattan has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a director, is disclosed in the notice of meeting provided to shareholders.

Mr Perring was appointed to the Board as a Non-Executive Director on 1 August 2018.

- 1.3 The Company should have a written agreement with each director and senior executive setting out the terms of their appointment.

New directors appointed to the Board are provided with their terms of engagement in written letter agreements. These agreements establish the roles and responsibilities of each director, the envisaged time commitment, confirmation of insurance and indemnity entitlements, disclosure requirements and reporting lines, together with their remuneration details.

The terms on which senior executives are appointed are set out in Consultancy Agreements.

Each director also enters into required agreements regarding insurance, access to records and disclosure of any trading in the Company securities as required under the Listing Rules.

- 1.4 The Company Secretary should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board

Each Director of the Company can communicate directly with the Company Secretary and vice versa.

The qualifications and experience of the Company Secretary is set out in the Directors' Report of the Annual Report.

- 1.5 The Company should:
- (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them;
 - (b) Disclose that policy or a summary of it; and

- (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the Company's diversity policy and its progress towards achieving them, and either
- The respective proportions of men and women on the board, in senior executive positions and across the whole organization; or
 - The most recent "Gender Equity Indicators" as defined in the Workplace Gender Equality Act

The Company has established a policy on diversity which provides a framework for existing and new diversity related initiatives and policies to be implemented and maintained. The Policy is available on the Company's webpage.

The Company has not determined measurable objectives on gender diversity at present because of size and scale of operations but the Company does promote a culture of equal opportunity and has the principles of equality, fairness and contribution to commercial success at all levels within the Company.

The Company will establish measurable objectives for achieving gender diversity as and when its workforce reaches a size that justifies such a policy, which the Board has determined will be at least 10 employees.

At all times the Board looks for ways to achieve a broader pool of skilled and experienced senior management and Board candidates, and will review any opportunities to increase gender diversity in future years as projects move to a steady operational environment and this will include identifying future and targeted measurable objectives.

Pursuant to Recommendation 1.5 of the Recommendations, the Company discloses the following information as at the date of this report:

- Percentage of women and men employed within the Group – women: Nil; men: Nil;
- Percentage of women and men employed as a senior executive – women: Nil; men: Nil;
- Percentage of women and men employed at the Board level – women: Nil; men: 100%

The Company has defined an employee who is a senior executive as a person who is a "senior manager" as defined in Section 9 (Definitions) of the Corporations Act 2001, namely a person who is at the highest management level of the Company who "makes, or participates in making decisions that affect the whole, or a substantial part, of the business of the corporation; or has the capacity to affect significantly the corporation's financial standing". The performance appraisal of a senior executive is performed by the Managing Director and the Remuneration Committee.

The current Company Secretary is a female and all three (3) board positions are male.

1.6 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) Disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process

The small scale of the Board and the current nature of the Company's activities makes the establishment of a formal performance evaluation strategy unnecessary but the Company does have in place a Performance Evaluation Process Policy.

Performance evaluation is currently managed by the Chairman. The Chairman assesses each Board member's performance on an annual basis between June and September.

The 2018 performance evaluation process was an informal discussion with the collective board.

1.7 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period on accordance with that process

The Company engages external consultants to fulfil the key management and administrative roles, so presently, assessment of their performance is conducted without a formal evaluation process.

Whilst this is at variance with ASX Recommendation 1.7, the directors consider that an appropriate and adequate process for the evaluation of the consultants is in place. A more structured process of assessment will be considered in the future as projects develop.

Principle 2:*Structure the board to add value*

The board should be of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.

2.1 The Company should**(a) Have a nomination committee**

- With a least three (3) members, a majority of who are independent directors;
- Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no nomination committee, there must be disclosure of that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience independent and diversity to enable it to discharge its duties and responsibilities effectively.

In view of the small size of the Company's Board, the Board in its entirety, acts as a Nomination Committee and there is no need to further subdivide the Board currently and a separate Nomination Committee is an unnecessary measure now for Manhattan.

In August 2018, the Company introduced a new project and the investment group responsible for the Project suggested that a new non-executive director with experience unique to the Project be appointed to the Board. Given that the Company is currently in an exploration stage; it was decided that a Board of more than three (3) would be excessive and the Company's longest serving executive director resigned.

As the new Project grows and develops there will be further Board changes so in the short to medium term it is not envisaged that there will be succession issues as Board movements will flow and ebb to adapt to the Project changes. Once the Project moves into production; this is a serious investment and commitment by the Company and at that point the Board will become more fixed and succession plans developed.

2.2 The Company should have and disclose a board skills matrix of skills and diversity that the board currently has or is looking to achieve in its membership.

It is a policy of Manhattan that the Board comprises individuals with the skills, knowledge, experience, independence and diversity to manage the Company operations and enable the directors to discharge their respective duties and responsibilities.

The Board currently comprises three (3) Non-Executive Directors, whose roles encompass project management, technical, legal and governance matters.

Detailed biographies are set out in the Directors' Report of the Company's 2018 Annual Report.

The Company identifies the following as the main areas of skills required by the Board to successfully service the Company. The Directors have been measured to these areas in the skills matrix:

| Skills and Experience | Board representation (out of 3 Directors) |
|--|--|
| Executive and Non-Executive Experience | 3 |
| Industry experience and knowledge | 1 |
| Leadership | 3 |
| Corporate Governance and Risk Management | 2 |
| Strategic Thinking | 3 |
| Acquisitions | 3 |
| Capital Markets experience | 3 |
| Public company experience | 2 |
| Financial acumen | 2 |
| <i>Subject matter expertise</i> | |
| • Mineral Exploration and Geology | 1 |
| • Mining | 1 |
| • Metallurgy and processing | 1 |
| • Accounting and audit | 2 |
| • Environmental | 1 |
| • Capital Management | 2 |
| • Corporate financing | 2 |
| • Industry Taxation | 2 |
| • Risk Management | 3 |

As a team, the Board brings together a broad range of experience but to the extent that any skills are not directly represented on the Board, they are augmented through external advisors.

2.3 The Company should disclose:

- (a) The names of the directors considered by the board to be independent;
- (b) If a director has an interest, position, association or relationship that might cause doubts about the independence of a director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and explanation of why the board is of that opinion; and
- (c) The length of service of each director

The Board gives formal recognition to a detailed definition of independence being “independence of thought and decision making”.

Due to the desire to contain costs and establish the Company’s future strategic direction, the Board is comprised of only three (3) Non-Executive Directors and as at the date of this Statement, all the directors are independent as reflected in the table below.

A review of the independence criteria detailed in Recommendation 2.3 of the Recommendations in relation to each director is made on a regular basis and when appropriate.

| Name | Status | Appointment Date |
|--|-------------|------------------------------|
| Marcello Cardaci (Non-Executive Chairman) | Independent | 18 December 2006 11 years |
| John Seton | Independent | 20 July 2009 9 years |
| Robert Perring | Independent | 1 August 2018 |

2.4 A majority of the board should be independent directors

At present, all three (3) directors of the Manhattan Board are independent.

The directors believe that there exists a strong incentive for all board members to carry out their directorial duties in an independent manner. Independence of view and variety of intellectual input between the directors is a strong foundation for a strong Board.

A determination with respect to independence is made by the board on an annual basis. In addition, the directors are required on an ongoing basis to disclose relevant personal interests and conflicts of interest which may in turn trigger a review of a director’s independent status.

2.5 The chair of the board should be an independent director and, in particular should not be the same person as the CEO.

The current Chairman has been elected from the independent non-executive directors.

Mr Cardaci is independent of management, has no interest, position, association or relationship that would compromise his independence directly or indirectly and individually holds less than 5% of the issued ordinary shares of the Company.

The Chairman is responsible for the leadership and effective performance of the board, to facilitate the effective contribution of all directors and promote respectful relations between the board and management. The Chairman’s responsibilities are set out in more detail in the Board Charter.

Manhattan currently does not have a requirement for a Chief Executive Officer.

2.6 The Company should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

The Company has an induction program for when new directors join the Board and when new senior executives are appointed. The goal of the program is to assist new directors to participate fully and actively in Board decision-making at the earliest opportunity and to assist senior executives to participate fully and actively in management decision-making at the earliest opportunity.

New directors are fully briefed about the nature of the business, current issues, the corporate strategy and the expectations of the Company concerning performance of directors.

Directors do nominate themselves for specific professional development activities from time to time and the Board considers each such proposal on its merits. Current Board policy is for the cost of approved professional development activities to be fully paid for by the Company.

Principle 3:*Act ethically and responsibly*

The Company should act ethically and responsibly

3.1 The Company should:

- (a) Have a code of conduct for its directors, senior executives and employees; and
- (b) That disclose that code or a summary of it.

A Directors and Executive Officers' Code of Conduct Policy, is in place and provides a framework for decisions and actions in relation to ethical conduct in employment.

The Shareholder Communication and Investor Relations, the Securities Trading and the Continuous Disclosure Policies, collectively form a solid ethical foundation for Company practices, which must always be complied with.

Principle 4:*Safeguard integrity in corporate reporting*

The Company should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting

4.1 The Company should:

- (a) Have an audit committee
 - With a least three (3) members, all of whom are non-executive directors and the majority of who are independent directors;
 - Chaired by an independent director who is not the chair of the board

And discloses:

- The charter of the committee;
 - The relevant qualifications and experience of the members of the committee; and
 - The number of times the committee met throughout the period and the individual attendance of the members at those meetings
- (b) If the Company has no audit committee, there must be disclosure of that fact and the processes it employs to independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The directors do not consider that the Company's affairs are of such a size and complexity to merit the establishment of a separate audit committee. Until this situation changes, the Board will carry out all audit committee functions.

The Board monitors the form and content of the Company's financial statements and maintains an overview of the Company's internal financial control and audit system and risk management systems.

4.2 Before the board approves the financial statements for a financial period, it should receive from its CEO and CFO a declaration that, in their opinion the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and gives a true and fair view of the financial position and performance of the Company which has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Prior to approval of any financial statement for a financial period, the Company's Chairman and external Accountant provide to the Board a declaration in accordance with Section 295A of the Corporations Act which accords with Recommendation 4

4.3 The external auditors are to attend the Company's AGM and are available to answer questions from shareholders relevant to the audit.

Section 249K of the Corporations Act requires a Company to give its auditor a Notice of General Meeting and section 250RA requires an auditor to attend a listed company's Annual General Meeting or arrange to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and be able to answer questions about the audit.

The Company's external auditor is duly represented at the Company's Annual General Meeting and is available to answer questions from shareholders concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The Auditor's presence is made known to Shareholders during the Meeting and Shareholders are provided with an opportunity to put forward questions to the external auditor.

Principle 5:*Make timely and balanced disclosure*

The Company should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities

5.1 The Company should

- (a) Have a written policy for complying with its Continuous disclosure obligations under the Listing Rules; and
- (b) Disclose that policy or a summary of it

The Company is committed to continuous disclosure of material information as a means of promoting transparency and investor confidence. The practices of Manhattan are fully compliant with the ASX Listing Rules, including those regarding continuous disclosure.

The Company will immediately notify the market of any information concerning itself which is not subject to the exceptions in Rule 3.1A of the ASX Listing Rules and which a reasonable person would expect to have a material effect on the price or value of Longford's securities.

The Chairman and the Company Secretary are responsible for the regular review of the Company's affairs to ensure that any relevant information is promptly announced to the ASX.

Release of material information to the ASX is conducted by the Company Secretary. Where the ASX contacts the Company, for example in the event of unusual share price fluctuations, communications are managed by the Company Secretary with reference to the Interim CEO.

A Continuous Disclosure Policy has been adopted and the Policy is available on the Company's website.

Principle 6:*Respect the rights of shareholders*

The Company should respect the rights of its shareholders by providing them with appropriate information and facilities to allow them to exercise those rights effectively

6.1 The Company should provide information about itself and its governance to investors via its website.

The Company maintains a website and shareholders can find all recent information on the Company including its background, objectives, projects and contact details. The Corporate Governance page provides access to key policies, procedures and charters of the Company, such as the Board and Committee charters, securities trading policy, diversity policy and the latest Corporate Governance Statement.

ASX announcements, Company reports and presentations are uploaded to the website following release to the ASX and editorial content is updated on a regular basis.

Shareholders may also request a copy of the Company's ASX recent releases.

6.2 The Company should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company has established a Shareholder Communication and Investor Relations Policy which aims to facilitate effective two-way communication with investors and ensure that shareholders are fully informed by communicating to them through

- Continuous disclosure reporting to the ASX;
- Quarterly, half yearly and annual reports; and
- Media releases, copies of which are lodged with the ASX and place on the Company's website

The Company principally engages with its security holders at its AGM or personally as requested by individual security holders, which is a practice that the Company encourages.

6.3 The Company should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.

The Shareholder Communication and Investor Relations Policy aims to ensure shareholder participation at all Annual and General Meetings and sets the time and place of each meeting to promote maximum attendance by Shareholders.

Questions from security holders, whether or not present at General Meetings, are encouraged and the responses to these questions to be addressed through disclosure relating to that meeting.

6.4 The Company should give shareholders the option to receive communications from and send communications to the Company and its share registry electronically.

It is the Company's desire that shareholders receive communications electronically in the interests of the environment and constraining costs. In an endeavour to drive this objective the Company provides security holders the option to receive communications from, and to send communications to, the Company electronically.

Principle 7:*Recognise and manage risk*

The Company should establish a sound risk management framework and periodically review the effectiveness of that framework

7.1 The Company should:

- (a) Have a committee or committees to oversee risk, each of which
- Has at least three (3) members, a majority of who are independent directors; and
 - Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no risk committee or committees, that satisfy (a) above, disclose that fact and the processes it employs to oversee the Company's risk management framework.

In view of the small size of the Company's Board, the Board in its entirety acts, effectively, as a committee to oversee risk and there is no need to further subdivide it.

The Board has approved and adopted a Risk Management Policy which provides guidance and direction on the management of risk which is likely to impact the Company's main business enterprise – mineral exploration and managing cashflow expectations.

The Directors have significant experience in and understanding of the industry in which the Company operates and the risks associated with public companies in mineral exploration to perform the functions associated with risk that would be performed by a committee established to oversee risk.

Risk management is specifically discussed by the full Board at the Company's board meetings during the year. The Board considers that this process adequately monitors the Company's risk management framework.

7.2 The board or a Committee of the board should:

- (a) Review the Company's risk management framework at least annually to satisfy itself that, it continues to be sound; and
- (b) Discloses, in relation to each reporting period, whether such a review has been taken.

The Company's risk management framework has been under review for most of the financial year as the Board sought a suitable and stable Project for the Company; finance and exploration risk were the key areas and focus during the financial year.

The Board does meet regularly whereby the strategic, financial, business, compliance and operational risks including ability to raise capital to fund business acquisitions should the opportunity present, share price fluctuations, adequate levels of insurance, contract documentation, compliance with financial reporting and statutory obligations, retention of key executives and increasing costs of operations are reviewed and discussed by the Board.

The Board recognises that there are inherent risks associated with the Company's operations and the Board endeavour to mitigate such risks by continually reviewing the activities of the Company to identify key business and operational risks and ensuring that they are appropriately assessed and managed.

7.3 The Company should disclose:

- (a) If it has an internal audit function, how the function is structured and what role it performs; or
- (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Company has no internal audit function.

The Board are responsible for establishing and maintaining an internal control structure. This structure is documented and periodically reviewed by the Chairman.

7.4 The Company should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does, how it manages or intends to manage those risks.

The activities of Manhattan are subject to risks that can adversely impact its business and financial condition.

The Company recognises that it has exposure to economic risks. The Company manages its economic and social sustainability risks by maintaining good relationships with its suppliers and investors.

The Company also has a code of business conduct and ethics for its directors, officers, employees, consultants, contractors and associates. The code of business conduct addresses, among other things, dealing with public officials, equal opportunity and community relations.

The financial risks to which the Company is exposed to and the Company's approach to managing them are identified in the Going Concern Note of the Notes to the Financial Statements contained in the Company's 2018 Annual Report.

Before approving the Company's financial statements for the financial period, the Board receives and considers the declaration from the Chairman and the Accountant in accordance with ASX Principles.

Areas of risk - financial, legal, regulatory and compliance are highlighted by the Chairman on a regular basis together with periodic board reporting by the exploration director in respect of operations.

Principle 8

Remunerate fairly and responsibly

The Company should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for Shareholders.

8.1 The Board should

- (a) Have a remuneration committee which
- Has at least three (3) members, a majority of who are independent directors;
 - Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no remuneration committee disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

Due to the small size of the Board and the fact that remuneration matters are monitored by the Board in its entirety, the Board believes a separate Remuneration Committee is unnecessary and inappropriate.

The Constitution stipulates that the aggregate remuneration available for division amongst the non-executive directors is determined by the shareholders in general meeting. The amount approved or some part of it, is divided among the non-executive directors as determined by the Board.

The Company maintains a Directors and Officers Policy. An indemnity agreement has been entered into between the Company and each of the directors of the Company. Under the agreement, the Company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law.

There is a \$1 million monetary limit to the extent of this indemnity.

8.2 The Company should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The Board will distinguish the remuneration of non-executive directors from that of executive directors - when applicable, currently all directors are non-executive.

The Company's Constitution provides that the remuneration of non-executive directors is fixed and they do not participate in any incentive plans. And do not receive any retirement benefits. For information about non-executive director remuneration practice, reference can be made to the audited remuneration report set out in the Directors' Report.

The Board is responsible for determining the remuneration of any director or senior executive without the participation of the concerned director or executive.

Furthermore, the information provided in the Remuneration Report is audited as required by Section 308(3C) of the Corporations Act 2001.

8.3 The Company if it has an equity based remuneration scheme should

- (a) Have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) Disclose that policy or a summary of it

The Company does not have an equity based remuneration scheme.

The Company's policy on Securities Trading prohibits participants from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

A copy of the Securities Trading Policy is on the Company's webpage.