MANHATTAN

MANHATTAN CORPORATION LIMITED

2016

ANNUAL REPORT

ABN 61 123 156 089

www.manhattancorp.com.au

CONTENTS

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ASX Code: **MHC**

CHAIRMAN'S REVIEW

29 September 2016

Dear Shareholders and Investors

I'm pleased, on behalf of the Board and our executive team, to present Manhattan's 2016 Annual Report including the Financial Statements for the year ended 30 June 2016 and my review of the uranium sector.

Uranium Price Outlook

Despite the continued positive outlook for the nuclear sector and uranium industry globally the anticipated upturn in the uranium price has not materialised over the last 12 months as predicted by analysts.

Industry consultant TradeTech's weekly spot price indicator finished the month of August at US$25.25lb before ticking back up to US$25.50lb a week later and now back to US$25.25 this week, a 12 year low. Uranium at this time last year was trading at US$37.25lb, from a low of $28lb in August 2014.

As Japan recommissions its 43 power reactors, with five now back online, and new reactors around the globe completing construction, being commissioned and charged the fuel supply squeeze will hit and we hold the view that the demand and price for uranium will improve.

Uranium Market Dynamics

TradeTech concludes sellers of uranium fall into two camps. On the one hand there are those who are not keen to chase the ever lower prices, believing utility demand will quietly pick up. There are more than one uranium market analysts suggesting spot price cannot remain below the average cost of production, as it is now, for too much longer. Eventually the supply side will have to surrender to a greater extent than it already has.

On the other hand, TradeTech suggest, there are those sellers who simply need to offload product, and as such, are prone to jumping on any little tick up in price. Put the two together explains the recent spot price activity.

As miners cut uranium production, along with the low commodity price being a disincentive to invest in new mines or explore the contracting primary fuel supply is in conflict with the expansion of the industry underway. The expansion is led by China, Russia, India, USA and UAE with 40 plants under construction.

World Nuclear Power Developments

The new build of nuclear power reactors around the world continues to gather pace driven by the demand for low carbon base load power. The industry had record growth last year with ten new reactors generating near 10,000Mw being brought online.

There are now 447 operable nuclear power plants in 31 countries capable of delivering 390,808Mw of power. A further 62,500Mw capacity at 59 sites is under construction led by China with 20, Russia 7, India 5 and the USA and UAE 4 reactors each under construction. The average construction period for a new reactor is now 6 years.

A massive 168 further reactors, capable of delivering over 175,585Mw of electricity, are at the advanced planning and approval stage in 26 countries with the UK, this month, giving the go ahead for French firm EDF to build the $32 billion Hinkley Point plant.

Appointment of Chub Witham COO

In April 2016 we were pleased to announce the appointment of Mr William (Chub) Witham as Chief Operating Officer of the Company. Chub, with over 25 years of experience in the mining, oil and gas, government and corporate sector, is uniquely qualified to lead Manhattan's negotiations with the WA government to gain exploration access to E28/1898 by amending the QVSNR boundaries and excise tenement from the reserve.

Chub, a geologist has spent the last three years with the WA Chamber of Minerals and Energy WA Inc. on government relations and policy as manager for the North West and Kimberley working extensively on land access, environmental and infrastructure issues.

Excising E28/1898 from QVSNR

As you are aware, E28/1898 located in the northern edge of the remote Queen Victoria Spring Nature Reserve (QVSNR) has reported JORC resources and exploration targets of 50 to over 80Mlbs of uranium oxide making it the third largest uranium resource project in WA. Ponton is a project of key regional, state and national significance. The deposits are shallow and amenable to very low impact in-situ metal recovery (ISR).

Exploration access to E28/1898 will allow Manhattan to undertake further resource drilling, complete resource estimates, environmental impact statement and commence a bankable feasibility study in preparation for the Ponton ISR uranium mine development approval process.

During the year Manhattan has held a series of meetings with the key WA Ministers and their advisers to gain their support for the proposed Reserves Amendment Bill to excise E28/1898 from the Reserve. This remains a priority to work with the relevant Ministers, and their advisers, to initiate the drafting of the legislation to excise the tenement from the QVSNR.

Ponton Project Drilling 2016

The modest capital raise in the last Quarter of the 2016 Financial Year enabled Manhattan, in September, to undertake a 24 hole 1,170 metre aircore drilling program at Ponton. All drilling is outside of, and from 1km to 45km north of, the QVSNR.

Six aircore holes, utilising improved high resolution gamma probe technology, were drilled into the Stallion and Highway uranium deposits. The application of the new gamma probe data and chemical assays for the six holes that twinned previous Manhattan sonic drill holes, will be applied to the conversion of the existing 515 down hole gamma logs to establish confident disequilibrium conversion factors for our drilling at Stallion and Highway. If successful, the new disequilibrium conversions to uranium grades will be used to report maiden JORC resource estimates for the two deposits.

Eighteen holes were also targeted at sterilising ground for future infrastructure development to the west of Vimy's Emperor uranium deposit, in E39/1782, around 40km north of QVSNR. Vimy's Mulga Rock deposit is currently in the final stages of a bankable feasibility study and the mine approval process.

Drilling results are anticipated to be available by October 2016.

Developments in Western Australia Uranium Mine Approvals

In early September 2016 the Western Australian EPA has recommended for approval Toro Energy's proposal to extend the already approved Wiluna uranium project, the second uranium approval within a month. The approval to mine the Millipede and Lake Maitland deposits 30km and 105km southeast of Wiluna follows approvals already in place for the Centipede and Lake Way uranium deposits at Wiluna.

In August 2016 EPA recommended the approval of Vimy Resources' 76.2Mlb Mulga Rock uranium project 240km east northeast of Kalgoorlie in the Great Victoria Desert next door to Manhattan's Ponton project.

Earlier in August, the EPA recommended against the approval of Cameco's WA Yeelirrie project deciding it would not adequately protect underground fauna. Cameco believes that with further sampling and research subterranean fauna can be appropriately managed at Yeelirrie and they intend to work with the WA government and stakeholders to get the project approved.

Manhattan's Resources and Project Development

Manhattan's Ponton uranium project in the Great Victoria Desert 220km east northeast of Kalgoorlie is WA's 8th largest reported uranium resource with Inferred Resources for Double 8 of 17.2Mlb uranium oxide. In addition, drilled Exploration Targets totalling 33 to 67Mlb uranium, at 200ppm U3O8 cutoff, for the Double 8, Stallion South, Highway South and Ponton have been reported.

The 2016 drilling, and future resource definition drilling, at Ponton will likely deliver resource upgrades and, initially, form the basis of mine development plans at Ponton. On gaining ground access to our granted licence resource drilling, an environmental impact statement and a bankable feasibility study will commence in preparation for the uranium mine development approval process. Preliminary scoping study by industry consultants TetraTech indicate the Ponton project is a potential lower quartile cost ISR uranium producer with modest capital requirements that could be developed at current uranium prices.

The Year Ahead

Despite the challenging market conditions, the lack of progress with gaining access approval to our key resources and, when we do, then faced with the lengthy mine environmental approval process the Ponton uranium project is a tier one asset and underpins the Company's value. Ponton's potentially large resources base, low capex and operating cost profiles and environmentally benign operational impact makes the project development attractive and achievable with potentially exceptional investment returns for our investors.

The Board retains the view that the global nuclear industry is delivering a strong operating performance and in the middle of an all-time record new build this can only lead to a breakout in the sentiment for uranium mining and a firmer sustained price for the primary fuel, uranium oxide.

A recent World Nuclear Association report says that if the world is to meet its climate change targets then the rate of [nuclear] new build will need to accelerate. Nuclear plants are the world's best performing generating stations delivering reliable, safe, carbon free power at competitive cost per Kwh.

The Board, and management team, at Manhattan value your continued support as investors as we focus on gaining access approval at Ponton, delivering new resources and evaluating new opportunities for growth and wealth generation.

ALAN J EGGERS
Executive Chairman
29 September 2016

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 1,100km^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 is drill testing and developing palaeochannel sand hosted uranium mineralisation amenable to in-situ metal recovery ("**ISR**").

FIGURE 1: MANHATTAN'S PONTON URANIUM PROJECT

In March 2011 Manhattan reported an Inferred Resource for the Double 8 uranium deposit at Ponton in WA of 17.2 million pounds ("**Mlb**") of uranium oxide ("**U_3O_8**") at a 200ppm cutoff. This information was prepared and first disclosed under JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Exploration Results at Ponton, reported on 7 February 2014, have also identified four wide spaced drilled Exploration Targets with tonnage ranges of 4 to 45 million tonnes ("**Mt**"), 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.

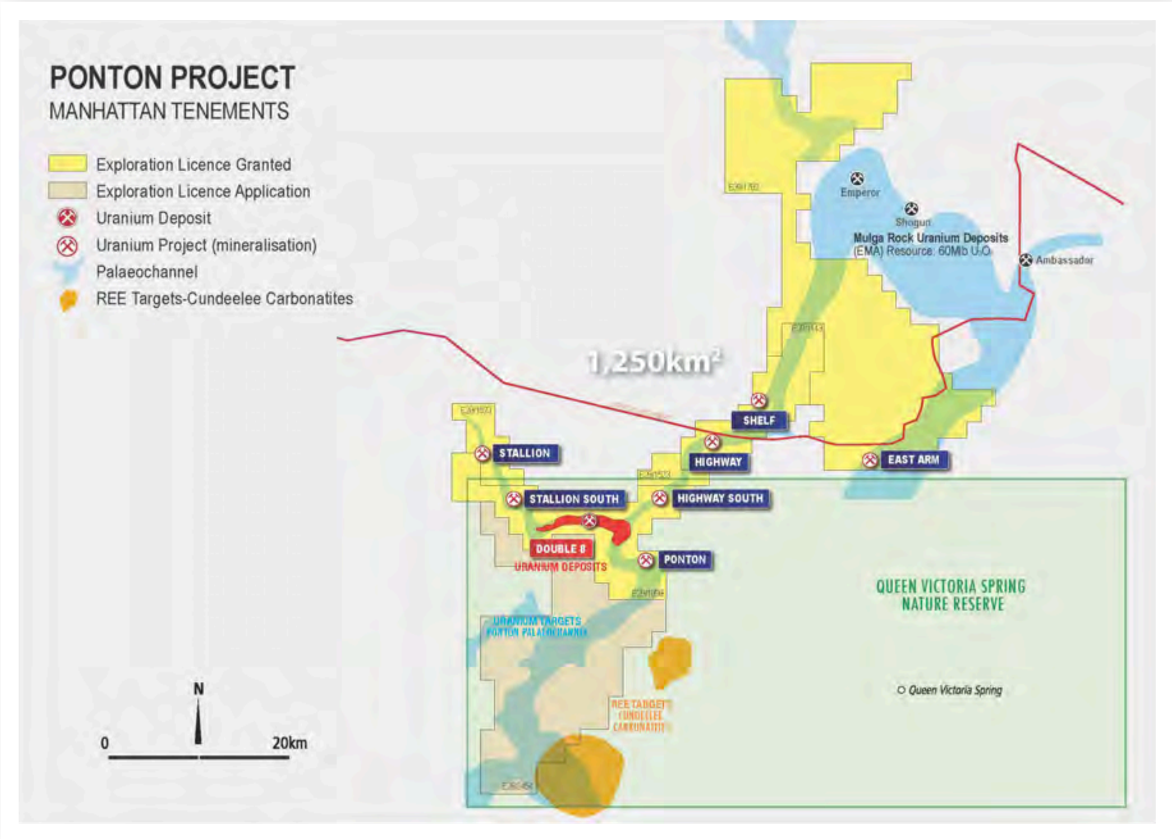
The four Exploration Targets reported for the Ponton project are:

- 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 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 Hellman & Schofield.

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

FIGURE 2: MANHATTAN'S PONTON TENEMENTS



The four Exploration Targets reported are based on actual exploration results including Manhattan's aircore and sonic drilling of over 760 holes and 52,700 metres of drilling along the palaeochannels immediately to the north of QVSNR, over 50km of conductive palaeochannels defined by the Company's airborne EM and magnetic surveys within 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.

Manhattan is now seeking exploration access approval to exploration licence E28/1898 located mostly within the QVSNR. The licence was granted in August 2011. On gaining exploration access to E28/1898 Manhattan will recommence drill testing and evaluation of the Double 8 uranium deposit and the four Exploration Targets identified at Double 8, Stallion South, Highway South and Ponton prospects where resource definition drilling will underpin the future development of the project.

REVIEW OF PROJECTS

1. PONTON PROJECT (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

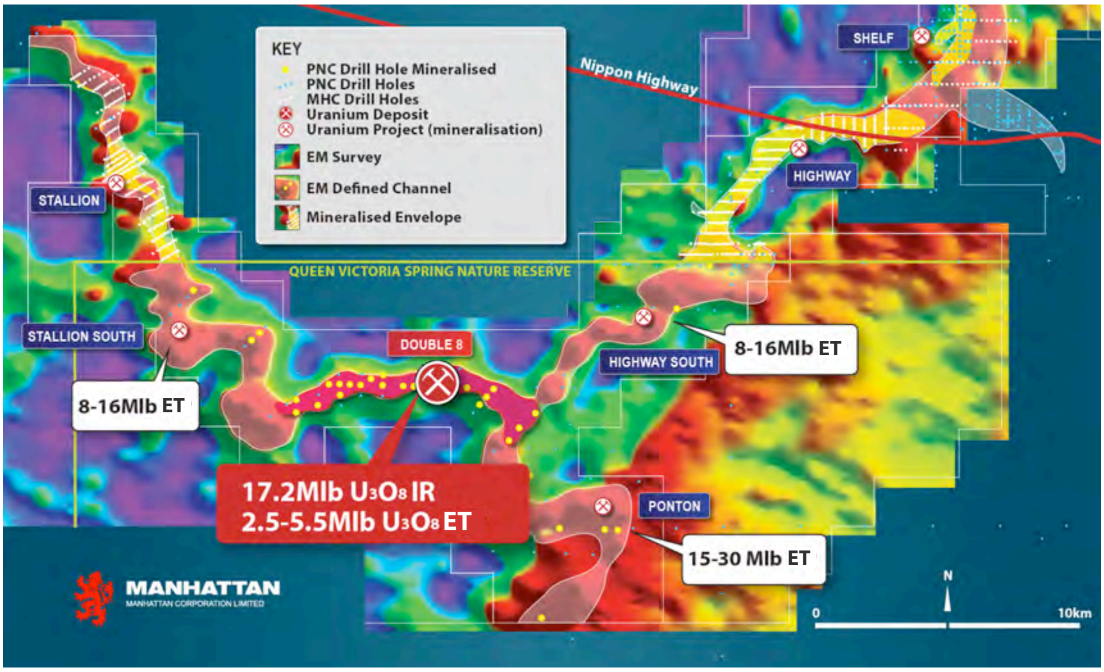
The Ponton project area is underlain by Tertiary palaeochannels within the Gunbarrel Basin. Carbonaceous sand hosted uranium mineralisation, below 40 to 70 metres of cover, has now been defined by drilling along 55 kilometres of the palaeochannels at Stallion, Stallion South, Double 8, Ponton, Highway and Highway South 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 3D Exploration Pty Ltd.

Forty four (44) of these drill holes were drilled into the Double 8 deposit. Double 8 was found to host roll-front or tabular type uranium mineralisation in the lower parts of the palaeochannel (40 to 70 metres depth) in reduced sands. The uranium mineralisation was drill intersected in an area along approximately nine kilometres of the palaeochannel, at widths of approximately 500m on average and down hole thicknesses of 3 to 25 metres.

From December 2009 to December 2010 Manhattan drilled over 52,700 metres of aircore and sonic drilling in 767 holes along the palaeochannels at Ponton to the north of the QVSNR. Manhattan's exploration and drilling results and the historic PNC and Uranerz data have been reviewed and the Inferred Resource estimated for Double 8 and Exploration Targets reported for Double 8, Stallion South, Highway South and Ponton prospects.

FIGURE 3: DOUBLE 8 RESOURCE, STALLION SOUTH, HIGHWAY SOUTH & PONTON EXPLORATION TARGETS



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 in 2011. The reported resources are based on RC drilling by PNC in the mid 1980's and are classified as Inferred. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Double 8 Inferred Resources

DOUBLE 8 INFERRED RESOURCE ESTIMATES				
CUTOFF GRADE U_3O_8 (ppm)	TONNES (MILLION)	GRADE U_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

Where U_3O_8 is reported it relates to grade values calculated from down hole radiometric gamma logs. Double 8 drill holes were logged by PNC using Austral L300 Middiloggers for natural gamma radiation. Four Austral L300 loggers were used by PNC in the area, calibrated against each other on a regular basis, and gamma responses compared to chemical assays from a number of core holes. Conversion factors for gamma response to U assays assuming secular equilibrium were then established. eU_3O_8 grades are then estimated by converting down hole radiometric gamma logs to equivalent uranium eU and multiplied by 1.179 to convert to equivalent uranium grades eU_3O_8. A further disequilibrium factor is applied by multiplying eU_3O_8 by 1.2 to establish U_3O_8. Down hole radiometric gamma logging in sand hosted uranium deposits, similar to Double 8, is a common and well established method of estimating uranium grades. All U_3O_8 grade results reported are subject to possible disequilibrium factors that should be taken into account when assessing the reported grades.

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.

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.

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.

The uranium mineralisation at Double 8 remains open and is yet to be closed off by drilling. Manhattan considers that further infill drilling, on 100m x 400m centres, of the Double 8 deposit will expand on the reported resource and the confidence levels of resources will improve and report to higher confidence categories under the JORC Code 2012.

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 approximately 200 aircore drill holes for 16,000 metres of infill resource definition drilling on 400 x 100m centres along the defined palaeochannel within the reported Inferred Resource area at Double 8. This drilling program, including the resource definition drilling planned for the Stallion South, Highway South and Ponton prospects, will be completed within 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 approximately 250 aircore drill holes for 20,000 metres of 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 approximately 250 aircore drill holes for 20,000 metres of 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 approximately 300 aircore drill holes for 24,000 metres of 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. STALLION (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

The Stallion uranium prospect is located in E28/1523 and centred 14 kilometres northwest of the Double 8 uranium deposit at Ponton (Figures 2 & 3).

In 2010 Manhattan completed 221 vertical aircore drill holes totalling 16,914m and 16 duplicate sonic drill holes totalling 1,177m of drilling along 8 kilometres of the palaeochannel at Stallion (Figure 3). Drilling has been completed on 200m and 400m spaced lines with holes drilled at 100m centres along each grid line across the palaeochannel within mineralised zones. All drill holes were gamma logged.

The resource potential for Stallion is being assessed by the Company's independent resource consultants. The secular disequilibrium data for 205 sonic and aircore drill holes indicates a positive disequilibrium factor of 1 to over 3 above 80ppm U_3O_8 and confirms that a disequilibrium factor for the Stallion prospect may be significantly higher than the x1.2 currently assumed for the reported Inferred Resources and Exploration Targets at Ponton. The application of the high resolution Germanium HpGe down hole probe when drilling recommences, that detects protactinium isotope Pa^{214} which reaches equilibrium with U^{238} within days, will establish (with the required statistical confidence) the conversion of the high resolution gamma logs to uranium grades for reporting of resource estimates at Stallion.

The geological controls and style of the palaeochannel sand hosted uranium mineralisation at Stallion are similar to the mineralisation encountered at Double 8.

7. HIGHWAY (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

The Highway uranium prospect is located in E28/1523 and E39/1143 centred 15 kilometres northwest of the Double 8 uranium deposit at Ponton (Figures 2 & 3).

In 2010 Manhattan completed 275 vertical aircore drill holes totalling 17,670m and 3 duplicate sonic drill holes totalling 144m of drilling along 10 kilometres of the palaeochannel at Highway (Figure 3). Drilling has been completed on 400m spaced lines with holes drilled at 100m centres along each grid line across the palaeochannel within mineralised zones. All drill holes were gamma logged.

As at Stallion, the resource potential for Highway is being assessed by the Company's independent resource consultants. The secular disequilibrium data also indicates a positive disequilibrium factor of 1 to over 3 above 80ppm U_3O_8 and confirms that a disequilibrium factor for the Highway prospect may be significantly higher than the x1.2 currently assumed for the reported resource estimates at Ponton. Again, the application of the high resolution Germanium HpGe down hole probe when drilling recommences, that detects protactinium isotope Pa^{214} which reaches equilibrium with U^{238} within days, will establish (with the required statistical confidence) the conversion of the high resolution gamma logs to uranium grades for reporting of resource estimates at Highway.

Apart from some shallow lignite hosted uranium mineralisation encountered along the northern part of the palaeochannel at Highway, the geological controls and style of the channel sand hosted uranium mineralisation at Highway are similar to the mineralisation encountered at Double 8 and Stallion.

8. SHELF (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

The Shelf prospect is located along the palaeochannel approximately 10km northeast of Highway in E39/1143.

At Shelf previous drilling by PNC and Uranerz on 200m x 100m centres identified shallower lignite hosted uranium mineralisation within the upper sandstone and claystone. In 2010 Manhattan drilled 8 duplicate aircore holes into, and confirmed, the lignite mineralisation at Shelf.

As well, in 2010 Manhattan drilled on lines approximately 800m and 1.2km apart along 20km of the palaeochannel to the north of Shelf and Highway to test the potential for additional resources within the palaeochannel to the north.

The resource potential for Shelf is being reviewed. As at Stallion and Highway, the application of the high resolution Germanium HpGe probe down hole logging will establish (with the required statistical confidence) the conversion of the high resolution gamma logs to uranium grades for reporting of resource estimates at Shelf.

SUMMARY

In March 2011 Manhattan reported Inferred Resource for Double 8 of 17.2Mlb of uranium oxide and in February 2014 the Company reported an additional four drilled Exploration Targets with uranium mineralisation potential totalling 33 to 67Mlb U_3O_8, at the 200ppm U_3O_8 cutoff, for the Double 8, Stallion South, Highway South and Ponton prospects.

The sand hosted uranium mineralisation is located in shallow, 40 to 70 metres deep, contiguous palaeochannels along 55km of strike at Ponton. Manhattan's four granted Exploration Licences and one EL application over the prospective palaeochannels at Ponton cover an area of 1,100km^2.

Tetra Tech's 2011 desktop scoping study confirms Manhattan's shallow near surface sand hosted palaeochannel uranium deposits at Ponton have potential to be viable, sustainable low cost ISR uranium producers with modest capital requirements to develop.

As announced to ASX on 1 September 2016 Manhattan commenced an aircore drill program of around 40 aircore holes at Ponton.

Additional holes utilising improved gamma probe technology, will be drilled into Manhattan's Stallion and Highway uranium deposits north of the QVSNR. The application of the new high resolution down hole gamma probe data will be applied to the conversion of the existing 515 gamma logs to establish confident disequilibrium conversion factors for the 515 drill holes at Stallion and Highway. If successful, the new disequilibrium conversions to uranium grades for the existing logs will be used to report maiden JORC resource estimates for the two deposits.

Drilling is also targeted at sterilising ground for future infrastructure development at an area approximately 40km north of the QVSNR immediately to the west and north of Vimy Resources Ltd's (ASX:VMY) Emperor uranium deposit. This deposit is currently in the final stages of a bankable feasibility study and the mine approval process.

Manhattan has had a series of Ministerial meetings with the WA government to gain their support for a Reserves Amendment Bill that would excise our key exploration tenement from the QVSNR. The excision would allow ground access to E28/1898 for us to commence resource definition drilling on the Double 8, Stallion, Highway and Ponton uranium deposits. Gaining access to these resources remains a high priority and we continue to work with the relevant Ministers, and their advisers, to progress initiating the drafting of the legislation for a Reserves Amendment Bill.

As miners cut uranium production, along with the low commodity price being a disincentive to invest in new mines, the record new build of nuclear power reactors around the world continues to gather pace driven by the demand for low carbon base load power.

This contracting primary fuel supply is in conflict with the expansion of the industry underway. With the large number of new plants under construction led by China, Russia, India, USA and UAE and as Japan recommissions its power reactors and the new reactors are charged and commissioned the fuel supply squeeze will hit and we hold the view that the demand and price for uranium will improve.

The modest capital raise in the last Quarter of the 2016 Financial Year has enabled the Company to recommence drilling at Ponton. This drilling will potentially provide the key disequilibrium data to establish maiden resource estimates for the Stallion and Highway uranium deposits. As well, drilling is targeted at sterilising ground for future infrastructure development to the west of Vimy's Emperor uranium deposit, in E39/1782, to the north of QVSNR.

ALAN J EGGERS
Executive Chairman
29 September 2016

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.

DIRECTORS' REPORT

The Directors have pleasure in presenting their Annual Report and Financial Statements for Manhattan Corporation Limited ("**Manhattan**") for the year ended 30 June 2016.

PRINCIPAL ACTIVITIES

The principal continuing activity of Manhattan during the year was mineral exploration and development and evaluation of mineral projects and corporate opportunities in the resource sector world wide.

There has been no significant change in the nature of Manhattan's business activities during the year under review.

OPERATING RESULTS

The loss of the Company for the year, after provision for income tax, amounted to $407,546 (2015: $585,255)

DIVIDENDS

No dividend has been paid or recommended by the Directors since the commencement of the year.

REVIEW OF OPERATIONS

Manhattan listed on the Australian Securities Exchange ("**ASX**") on 29 January 2008 following an Initial Public Offering.

In the last Financial Year to 30 June 2016 the Company has focussed on exploration and development of its Western Australian uranium project at Ponton.

Manhattan's 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 1,100km^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.

The Company is drill testing and developing palaeochannel sand hosted uranium mineralisation amenable to in-situ metal recovery ("**ISR**"). Drilling within the palaeochannels has established extensive continuity of the carbonaceous sand hosted uranium mineralisation for over 55km of strike within the Company's licences at Ponton.

In March 2011 Manhattan reported an Inferred Resource for the Double 8 uranium deposit at Ponton in WA of 17.2 million pounds ("**Mlb**") of uranium oxide ("$\mathbf{U_3O_8}$") at a 200ppm cutoff. This information was prepared and first disclosed under JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Exploration Results at Ponton, reported in February 2014, have also identified four wide spaced drilled Exploration Targets with tonnage ranges of 4 to 45 million tonnes ("**Mt**"), 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 uranium deposit and the four Exploration Targets at Double 8, Stallion South, Highway South and Ponton are all located on granted exploration licence, E28/1898, located mostly within the Queen Victoria Spring Nature reserve ("**QVSNR**").

The four Exploration Targets reported are based on actual exploration results including Manhattan's aircore and sonic drilling of over 760 holes and 52,700 metres of drilling along the palaeochannels immediately to the north of the QVSNR, over 50km of conductive palaeochannels defined by the Company's airborne EM and magnetic surveys within QVSNR 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.

These palaeochannels connect with Vimy Resources Ltd's lignite hosted Mulga Rock uranium deposits with a reported inferred resource estimate of 27,100 tonnes (60Mlb) U_3O_8.

Manhattan is now seeking exploration access approval to exploration licence E28/1898 located mostly within the QVSNR. The licence was granted in August 2011. On gaining exploration access to E28/1898 Manhattan will recommence drill testing and evaluation of the Double 8 uranium deposit and the four Exploration Targets identified at Double 8, Stallion South, Highway South and Ponton prospects where resource definition drilling will underpin the future development of the project.

The Company continues to review a number of M&A proposals and advanced uranium project acquisition opportunities to grow the Company and generate additional shareholder value.

A full review of operations for the Financial Year, together with future prospects that form part of this Report, are presented in the Chairman's Review and the Review of Operations on pages 2 to 14 of this Annual Report.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the Financial Year under review.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Robert (Sam) Middlemas resigned as Company Secretary on 28 September 2016. Alan J Eggers has been appointed Company Secretary in the interim until a replacement has been appointed by the Board.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

There is no likely or expected change to the operations of the Company to systematically explore the Company's key projects, in particular the Ponton projects. The Company will continue to review all business development opportunities that present themselves in an effort to enhance the exploration and development portfolio. This activity may or may not lead to future acquisitions, divestments, joint ventures and other changes to the Company's project portfolio.

ENVIRONMENTAL OBLIGATIONS

The Company operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of the shareholders, employees and suppliers. The Company's exploration activities are currently regulated by significant environmental regulation under laws of the Commonwealth and states and territories of Australia. The Company aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are mindful of the regulatory regime in relation to the impact of the organisational activities on the environment. There have been no known breaches by the Company during the Financial Year.

In February 2011 Manhattan adopted an Environmental Policy that included an Environmental Management Plan for Queen Victoria Spring Nature Reserve, and included the Environmental Policy in its Corporate Governance Statement.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Manhattan support and have adhered to the ASX principles of corporate governance (as appropriate for a company of Manhattan's size). In accordance with ASX Listing Rule 4.10.3 the Company has elected to publish its Corporate Governance Statement on the Company web site at www.manhattancorp.com.au/corporategovernance .

DIRECTORS AND COMPANY SECRETARY

The following persons held office as Directors and Company Secretary of Manhattan during the year. All Directors, and the Company Secretary, were in office for the entire period unless otherwise stated:

Alan J Eggers
Marcello Cardaci
John A G Seton
Robert (Sam) Middlemas (Resigned 28 September 2016)

PROFILE OF DIRECTORS AND COMPANY SECRETARY

Alan J Eggers B.Sc, B.Sc(Hons), M.Sc, F.S.E.G., MAusIMM, MAIG **EXECUTIVE CHAIRMAN**

Alan Eggers is a professional geologist with over 35 years of international experience in exploration for uranium, iron ore, base metals, precious metals and industrial minerals. He was the founding director and managing director for 20 years of listed uranium company Summit Resources Limited. He built Summit into an ASX top 200 company with a market capitalisation of $1.2 billion until its takeover by Paladin Energy Ltd in May 2007 when he resigned from the board. His professional experience has included management of mineral exploration initiatives and corporate administration of private and public companies. Alan is a director and Executive Chairman of unlisted Trans-Tasman Resources Limited (1 October 2014 to current), director of Ocean Technologies Limited (19 December 2014 to current), managing director of Wesmin Corporate Pty Ltd, formerly a director of ASX listed Zedex Minerals Limited (resigned January 2010), was a founding director of the Australian Uranium Association and holds a number of directorships in private companies.

Marcello Cardaci B.Juris, LLB, B.Com **NON EXECUTIVE DIRECTOR**

Marcello Cardaci is a partner in the Australian legal practice of Gilbert + Tobin. Mr Cardaci holds degrees in law and commerce and is experienced in a wide range of corporate and commercial matters with a particular emphasis on public and private equity raisings and mergers and acquisitions. Gilbert + Tobin specialises in the provision of legal advice to companies involved in various industries including resources and manufacturing. Mr Cardaci is a director of Energia Minerals Ltd (7 October 2014 to current) and was formerly a director of Sphere Minerals Limited (2 June 1999 to 17 November 2010), Tianshan Goldfields Limited (2 February 2009 to 13 November 2010), Forge Group Limited (4 June 2007 to 24 October 2013), Lemur Resources Ltd (8 November 2010 to 5 November 2013) and Style Ltd (17 May 2013 to 10 August 2015).

John A G Seton LLM(Hons) **NON EXECUTIVE DIRECTOR**

John Seton is an Auckland based solicitor with extensive experience in commercial law, stock exchange listed companies and the mineral resource sector. John is a director of ASX listed Wolfstrike Rentals Group Ltd (23 June 2016 to current) and is chief executive officer of Besra Gold Inc, a former director of Besra (July 1999 to February 2012), former director and chairman of ASX listed Summit Resources Limited (until May 2007), Zedex Minerals Limited (resigned January 2010) and NZX listed SmartPay Limited (resigned January 2011). John holds or has held directorships in several companies listed on the ASX and NZX including Kiwi Gold NL, Kiwi International Resources NL, Iddison Group Vietnam Limited and Max Resources NL. John was also the former chief executive of IT Capital Limited, former Chairman of the Vietnam/New Zealand Business Council and former Chairman of The Mud House Wine Group Limited. Mr Seton also holds a number of private company directorships.

Robert (Sam) Middlemas B.Com, PGradDipBus., CA **COMPANY SECRETARY**

Sam Middlemas was appointed Company Secretary and Chief Financial Officer on 3 March 2009 and resigned on 28 September 2016. Sam is a chartered accountant with more than 20 years experience in various financial and company secretarial roles with a number of listed public companies operating in the resources sector. He is the principal of a corporate advisory company which provides financial and secretarial services specialising in capital raisings and initial public offerings. Previously Mr Middlemas worked for an international accountancy firm. His fields of expertise include corporate secretarial practice, financial and management reporting in the mining industry, treasury and cash flow management and corporate governance.

REMUNERATION REPORT

The Remuneration Report for the Financial Year ended 30 June 2016 is set out under the following main headings:

(A) Principles Used to Determine the Nature and Amount of Remuneration;

(B) Details of Remuneration;

(C) Service Agreements;

(D) Share Based Compensation;

(E) Additional Information; and

(F) Loans to Directors and Executives.

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

(A) Principles Used to Determine the Nature and Amount of Remuneration

The primary functions of the Remuneration Committee are to:

- Make specific recommendations to the Board on remuneration of Director's and senior officers;
- Recommend the terms and conditions of employment for the Executive Chairman;
- Undertake a review of the Executive Chairman's performance, at least annually, including setting with the Executive Chairman's goals for the coming year and reviewing progress in achieving those goals;
- Consider and report to the Board on the recommendations of the Executive Chairman on the remuneration of all direct reports; and
- Develop and facilitate a process for Board and Director evaluation.

The Board has elected not to establish a remuneration committee based on the size of the organisation and has instead agreed to meet as deemed necessary and allocate the appropriate time at its regular Board meetings.

Non Executive Directors

Fees and payments to Non Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non Executive Directors' fees and payments are reviewed annually by the Board. The Executive Chairman's fees are determined independently to the fees of Non Executive Directors based on comparative roles in the external market. The Executive Chairman is not present at any discussions relating to determination of his own remuneration.

Directors' Fees

The current base remuneration was reviewed in July 2010 in light of current conditions and the cash reserves of the Company. Non Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum Directors fees approved by shareholders and payable currently stands at $200,000 per annum.

The non executive Director's fees were reduced in 2014 from $35,000 per annum to $17,500 per annum to conserve the Company's cash reserves and have applied during the current Financial Year. It is intended these Director's fees will be reinstated to the original annual rate when the Company's financial position allows.

Base Fees	2016	2015
Non Executive Directors	$17,500	$17,500

Additional Fees

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Retirement Allowances for Directors

Superannuation contributions required under the Australian superannuation guarantee legislation (currently 9.5%) are made as part of Directors' overall fee entitlements.

Executive Pay

The Executive pay and reward framework has two components:

- Base pay and benefits, including superannuation; and
- Long term incentives through issue of share options.

The combination of these comprises the Executive's total remuneration. The Company revisits its long term equity linked performance incentives for Executives as deemed necessary by the Board. The equity linked performance incentives take the form of share options to provide incentives for the Directors and senior management to drive shareholder value through growth in share price.

Base Pay

Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non financial benefits at the Executives' discretion. Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for Executives is reviewed annually to ensure the Executive's pay is competitive with the market. An Executive's pay is also reviewed every 12 months and will be adjusted in line with the Executive's performance and current market conditions.

Benefits

Executives and Key Management Personnel are entitled to receive additional benefits or allowances.

Long Term Incentives

The Executives are entitled to share options as approved by shareholders.

(B) Details of Remuneration

Amounts of Remuneration

Details of the remuneration of the Directors, the Key Management Personnel (as defined in AASB 124 *Related Party Disclosures*) and Executives of Manhattan Corporation Limited for the Financial Year are set out in the following tables.

The Key Management Personnel are the Directors of Manhattan Corporation Limited during the Financial Year which were:

Alan J Eggers	Executive Chairman
Marcello Cardaci	Non Executive Director
John A G Seton	Non Executive Director

In addition, the following persons must be disclosed under the Corporations Act 2001 as Company Executives:

Robert (Sam) Middlemas Company Secretary.

Directors and Executives Remuneration

EXECUTIVE REMUNERATION	SHORT TERM BENEFITS	EQUITY COMPENSATION	TOTAL	PERCENTAGE OPTIONS
	Cash Salary & Fees	Options		
30 June 2016				
Directors	$	$	$	%
Alan J Eggers [1]	210,000	-	210,000	-
Marcello Cardaci	17,500	-	17,500	-
John A G Seton [2]	17,500	-	17,500	-
Key Management Personnel			-	
Sam Middlemas [3]	26,650	-	26,650	-
Total Compensation	**271,650**	**-**	**271,650**	**-**
30 June 2015				
Directors	$	$	$	%
Alan J Eggers [1]	210,000	121,581	331,581	37
Marcello Cardaci	17,500	27,018	44,518	61
John A G Seton [2]	17,500	27,018	44,518	61
Key Management Personnel				
Sam Middlemas [3]	29,060	27,018	56,078	48
Total Compensation	**274,060**	**202,635**	**476,695**	**43**

[1] Mr Eggers was appointed Executive Chairman on 21 July 2009. All fees were paid under a Consultancy Agreement with Wesmin Corporate Pty Ltd.
[2] Mr Seton was appointed as a Non Executive Director on 21 July 2009. All fees paid to his private Company Jura Trust Limited.
[3] Mr Middlemas was appointed Company Secretary on 3 March 2009. All fees were paid under a Consultancy Agreement with Sparkling Investments Pty Ltd.

There were no other executive officers who received emoluments during the Financial Year ended 30 June 2016.

(C) Service Agreements

On appointment to the Board, all Non Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of Director.

Remuneration and other terms of employment for Executive Directors and Key Management Personnel are formalised in service agreements. Each of these agreements provide for the provision of performance related conditions and other benefits including an allocation of options. Other major provisions of the agreements relating to remuneration are set out below.

Alan J Eggers Executive Chairman

- Services provided by consulting company Wesmin Corporate Pty Ltd ("**Wesmin**");
- Term of agreement. Continues indefinitely until cancelled by the Company or the Executive;
- Consulting fees of $360,000 per annum plus reimbursement of relevant expenses and costs. In 2014 the consulting fees were reduced to $210,000 per annum to conserve the Company's cash reserves and have applied during the current Financial Year. It is intended these consulting fees will be reinstated to the original annual rate when the Company's financial position allows.
- Agreement and fees reviewed by a committee of the Board of Directors on a regular basis; and
- Termination of employment by the Company requires 12 month notice without cause and immediately for cause related events.

(D) Share Based Compensation

Options

Options over shares in Manhattan are granted to Directors, consultants and employees as consideration and are approved by a general meeting of shareholders. The Options are designed to provide long term incentives for Executives and non Executives to deliver long term shareholder returns. Participants are granted options which are granted for no issue price and the exercise prices will be such price as determined by the Board (in its discretion) on or before the date of issue. Options are granted for no consideration.

The terms and conditions of each grant of options (up to 30 June 2016) affecting remuneration in the previous, this or future reporting periods are as follows:

Grant Date	Date Vested and Exercisable	Expiry Date	Exercise Price	Value Per Option at Grant Date	Percent Vested
28 November 2014	28 November 2014	28 November 2019	$0.10	0.013	100%
21 JULY 2009	21 JULY 2010	21 JULY 2014	$0.60	0.350	100%
21 JULY 2009	21 JULY 2011	21 JULY 2014	$1.00	0.320	100%

Options granted carry no dividend or voting rights.

During the year there were no options provided as remuneration to Directors and Key Management Personnel of the Company (2015: 15,000,000). All options issued in 2015 were fully vested. When exercisable, each option is convertible into one ordinary share of Manhattan. There were no new shares issued on exercise of employee incentive options (2015: Nil) by a Company Director or officer during the Financial Year ended 30 June 2016.

Further information on the options is set out in Note 17 to the Financial Statements.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black and Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

(E) Additional Information

Details of Remuneration: Options

Options are issued to Directors and Executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to the majority of Directors and Executives of Manhattan Corporation Limited to increase goal congruence between Executives, Directors and shareholders. Options issued to Directors and Key Management Personnel as at 30 June 2016 were as follows:

Directors of Manhattan	Year Granted	Vested Percentage	Financial Years in Which Options Vested	Number of Options Issues	Maximum Total Value of Grant Yet to Vest
					$
Alan J Eggers	2015	100	2015	9,000,000	-
Marcello Cardaci	2015	100	2015	2,000,000	-
John A G Seton	2015	100	2015	2,000,000	-
Key Management Personnel					
Sam Middlemas	2015	100	2015	2,000,000	-

(F) Loans to Directors and Executives

There were no loans to Directors and Executives during the Financial Year.

This is the end of the Audited Remuneration Report.

DIRECTORS' INTERESTS

The relevant interest of each Director in the shares or options issued by the Company as notified by the Directors to the ASX in accordance with S205G(1) of the *Corporations Act 2001*, at the date of this report are as follows:

Directors	Ordinary Shares	Option Over Ordianry Shares)
Alan J Eggers	33,057,311	9,000,000
Marcello Cardaci	3,415,726	2,000,000
John A G Seton	27,858,721	2,000,000

SHARES UNDER OPTION

Unissued ordinary shares of Manhattan under option at the date of this Report are as follows:

Date Options Granted	Expiry Date	Issue Price of Shares	Number Under Option
28 November 2014	28 November 2019	$0.10	15,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no options exercised during the Financial Year.

DIRECTORS' MEETINGS

The number of Directors' board meetings and the number of board meetings attended by each of the Directors of the Company for the time the Director held office during the Financial Year were:

Directors	Number Eligible to Attend	Number Attended
Alan J Eggers	6	6
Marcello Cardaci	6	6
John A G Seton	6	6

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

NON AUDIT SERVICES

The Company may decide to employ the Auditor on assignments additional to their statutory audit duties where the Auditor's expertise and experience with the Company is important. The Board has considered the position and is satisfied that the provision of non audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*, and would not compromise the Auditor's independence.

During the year the following fees were paid or payable for services provided by the Auditor of the Company, its related practices and non related audit firms:

Audit Services	2016	2015
Rothsay Chartered Accountants	**$**	$
Audit and Review of Financial Statements	**20,000**	12,000
Tax Work Under the *Corporations Act 2001*	**3,000**	3,500
Total Remuneration for Audit Services	**23,000**	15,500

DIRECTORS' AND OFFICERS INSURANCE

During the Financial Year, Manhattan paid a premium to insure the Directors and the Company Secretary.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditors' Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 27 of the Annual Report.

Rothsay Chartered Accountants are appointed to office in accordance with section 327 of the *Corporations Act 2001.*

Signed in accordance with a Resolution of the Directors.

DATED at Perth on 29 September 2016.

ALAN J EGGERS
Executive Chairman

AUDITOR'S REPORT

ROTHSAY

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF MANHATTAN CORPORATION LIMITED

Report on the financial report

We have audited the accompanying financial report of Manhattan Corporation Limited (the Company") which comprises the balance sheet as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the year.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used in and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.

Chartered Accountants

AUDITOR'S REPORT

Audit opinion

In our opinion the financial report of Manhattan Corporation Limited is in accordance with the *Corporations Act 2001*, including:

a) (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of their performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b) the consolidated financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Audit opinion

In our opinion the remuneration report of Manhattan Corporation Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

Rothsay

Rolf Garda
Partner

Dated 29th September 2016

Chartered Accountants

AUDITOR'S DECLARATION

ROTHSAY

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

The Directors
Manhattan Corporation Limited
Level 2, 33 Colin Street
West Perth WA 6005

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2016 financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rolf Garda (Lead auditor)

Rothsay Auditing

Dated 29th September 2016

Chartered Accountants

Liability Limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 30 June 2016

	Note	2016	2015
REVENUE		**$**	$
Revenue from Continuing Operations	5	**3,911**	9,547
EXPENSES			
Expenses Excluding Finance Costs	6	**(523,576)**	(736,911)
Finance Costs		**(381)**	(339)
Loss Before Income Tax		**(520,046)**	(727,703)
Income Tax Expense	8	**112,500**	142,448
Loss For The Year		**(407,546)**	(585,255)
Total Comprehensive Loss for the Year Attributable to Members of Manhattan Corporation Limited		**(407,546)**	(585,255)
Basic Earnings/(Loss) Per Share	7	**(0.36) cents**	(0.52) cents
Diluted Earnings/(Loss) Per Share	7	**(0.36) cents**	(0.52) cents

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying Notes that form part of these Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2016

	Note	2016	2015
ASSETS		**$**	$
Current Assets			
Cash and Cash Equivalents	10	**581,494**	439,291
Trade and Other Receivables	11	**110,827**	77,430
Total Current Assets		**692,321**	516,721
Non Current Assets			
Property, Plant and Equipment	13	**-**	-
Exploration and Evaluation Expenditure	12	**5,122,934**	5,122,934
Total Non Current Assets		**5,122,934**	5,122,934
TOTAL ASSETS		**5,815,255**	5,639,655
LIABILITIES			
Current Liabilities			
Trade and Other Payables	14	**34,338**	47,000
Provisions		**-**	-
Total Current Liabilities		**34,338**	47,000
TOTAL LIABILITIES		**34,338**	47,000
NET ASSETS		**5,780,917**	5,592,655
EQUITY			
Contributed Capital	15	**17,489,441**	16,893,633
Reserves	16	**4,857,328**	4,857,328
Accumulated Losses		**(16,565,852)**	(16,158,306)
TOTAL EQUITY		**5,780,917**	5,592,655

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying Notes that form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2016

Consolidated	Contributed Equity	Options Reserve	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2014	16,893,633	4,857,328	(15,573,051)	6,177,910
Total Comprehensive Income	-	-	(585,255)	(585,255)
Transactions with Owners in Their Capacity as Owners				
Shares Issued During the Year	-	-	-	-
Directors, Employees and Consultants Options	-	-	-	-
Balance at 30 June 2015	16,893,633	4,857,328	(16,158,306)	5,592,655
Total Comprehensive Income	**-**	**-**	**(407,546)**	**(407,546)**
Transactions with Owners in their Capacity as Owners				
Shares Issued During the Year	**595,808**	**-**	**-**	**595,808**
Balance at 30 June 2016	**17,489,441**	**4,857,328**	**(16,565,852)**	**5,780,917**

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes that form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2016

	Note	2016	2015
Cash Flows From Operating Activities		**$**	**$**
Payments to Suppliers and Employees		**(249,038)**	(246,540)
Interest Received		**3,910**	9,547
Net Cash Flows From/(Used In) Operating Activities	21	**(245,128)**	(236,993)
Cash Flows From Investing Activities			
Proceeds from R&D Refunds		**85,287**	185,852
Sale of Trading Securities		**-**	-
Payments For Exploration and Evaluation		**(293,764)**	(243,413)
Net Cash Flows Used In Investing Activities		**(208,477)**	(57,561)
Cash Flows From Financing Activities			
Proceeds From Issue of Shares		**595,808**	-
Net Cash Flows From/(Used In) Financing Activities		**595,808**	-
Net (Decrease)/Increase In Cash and Cash Equivalents		**142,203**	(294,554)
Cash and Cash Equivalents at Beginning of Period		**439,291**	733,845
Cash and Cash Equivalents at End of Period	10	**581,494**	439,291

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes that form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The financial report of Manhattan Corporation Limited also complies with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

Historical Cost Convention

These Financial Statements have been prepared under the historical cost convention.

Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 2.

Going Concern

The Company incurred a loss for the year of $407,546 (2015: $585,255) and a net cash outflow from operating activities of $245,128 (2015: $236,993).

At 30 June 2016 the Group had cash assets of $581,494 (2015: $439,291) and working capital of $657,938 (2015: $469,721).

The Company has reduced operating cash outflow to minimal levels while it assesses the market and opportunities. Based on this fact, the Directors consider it appropriate that the finance report be prepared on a going concern basis.

(b) Basis of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the Company's wholly owned subsidiary Manhattan Resources Pty Ltd as at 30 June 2016 and the results of the subsidiary for the year then ended.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, so as to obtain benefits from its activities, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Entity, using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions and balances, income and expenses and profits and losses between Group companies, are eliminated.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Investments in subsidiaries are accounted for at cost in the Statement of Financial Position of the Company.

(c) Segment Reporting

A business segment is identified for a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is identified when products or services are provided within a particular economic environment subject to risks and returns that are different from those of segments operating in other economic environments.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(e) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the year ending 30 June and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(f) Impairment of Assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company of assets (cash generating units). Non financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Acquisition of Assets

Assets including exploration interests acquired are initially recorded at their cost of acquisition on the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

When equity instruments are issued as consideration, their market price at the end of acquisition is used as fair value, except where the notional price at which they could be placed in the market is a better indication of fair value.

(h) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Consolidated Statement of Financial Position.

(i) Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of Financial Year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(l) Investments and Other Financial Assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loan and receivables, or available for sale investments, as appropriate. When financial assets are recognised initially they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year end.

Financial Assets at Fair Value Through Profit or Loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset at fair value through profit or loss if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in value. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the year ending 30 June.

Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than twelve months after the year ending 30 June which are classified as non current assets. Loans and receivables are included in receivables in the year ending 30 June.

Available for Sale Financial Assets
Available for sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non current assets unless management intends to dispose of the investment within twelve months of the year ending 30 June.

Purchases and sales of investments are recognised on trade date being the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available for sale financial assets and financial assets designated through profit or loss are subsequently carried at fair value. Loans and receivables and held to maturity investments are carried at amortised cost using the effective interest rate method. Realised and unrealised gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available for sale are recognised in equity in the net unrealised gains reserve. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments previously reported in equity are included in the income statement as gains and losses on disposal of investment securities.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available for sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss is transferred from equity to the income statement. Impairment losses recognised in the income statement on equity instruments classified as held for sale are not reversed through the income statement.

(m) Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Plant and equipment are depreciated on a reducing balance or straight line basis at rates based upon their effective lives up to five years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each year ending 30 June.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the year ending 30 June.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(o) Employee Benefit Provisions

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the year ending 30 June are recognised in respect of employees' services rendered up to the year ending 30 June and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries, and annual leave are included as part of Other Payables.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the year ending 30 June using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the year ending 30 June with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share Based Payments

The Group provides benefits to employees (including Directors) in the form of share based payment transactions, whereby employees render services in exchange for shares or options over shares ("equity settled transactions").

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity (share option reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. Fair value is determined by an independent valuator using a Black and Scholes option pricing model. In determining fair value, no account is taken of any performance conditions other than those related to the share price of Manhattan ("Market Conditions").

(p) Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing profit/(loss) attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the Financial Year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted Earnings Per Share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversions of all dilutive potential ordinary shares.

(q) New Accounting Standards and UIG Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2016 reporting period.

The Group has assessed the impact of these new standards and interpretations not to be material to the Group's Financial Statements.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Key Estimates: Impairment of Exploration and Exploration Expenditure
The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined by Value in use calculations performed in assessing recoverable amounts and incorporate a number of key estimates. The Group has made an impairment charge for the year which has been recognised in the Income Statement.

Share Based Payment Transactions
The Group measures the cost of equity settled share based payments at fair value at the grant date using the Black and Scholes model taking into account the exercise price, the term of the option, the impact of dilution, the share price at the grant date, the expected volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

3. SEGMENT INFORMATION

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

4. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group does not use derivative financial instruments, however the Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, aging analysis for credit risk and at present are not exposed to price risk.

Risk management is carried out by the Board of Directors with assistance from suitably qualified external and internal advisors. The Board provides written principles for overall risk management and further policies will evolve commensurate with the evolution and growth of the Group.

(a) Market Risk

(i) Foreign Exchange Risk

The Group does not currently operate internationally and therefore its exposure to foreign exchange risk arising from currency exposures is limited.

(ii) Price Risk

The Group holds a number of available for sale equity investments. These material investments are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors. The Group is not exposed to commodity price risk as the Group is still carrying out exploration.

(iii) Cash Flow and Fair Value Interest Rate Risk

The Group's only interest rate risk arises from cash and cash equivalents and borrowings. Term deposits and current accounts held with variable interest rates expose the Group to cash flow interest rate risk. The Group does not consider this to be material to the Group and have therefore not undertaken any further analysis of risk exposure.

(b) Credit Risk

Credit risk is managed by the Board for the Group. Credit risk arises from cash and cash equivalents as well as credit exposure including outstanding receivables and committed transactions. All cash balances held at banks are held at internationally recognised institutions, with minimum independently rated rates of 'A'. The majority of receivables are immaterial to the Group. Given this the credit quality of financial assets that are neither past due or impaired can be assessed by reference to historical information about default rates.

The maximum exposure to credit risk is the carrying amount of the financial assets of cash and trade and other receivables to the value of $692,321 (2015: $516,721).

The following financial assets of the Group are neither past due or impaired:

FINANCIAL ASSETS	2016	2015
	$	$
Cash and Cash Equivalents	**581,494**	439,291
Trade and Other Receivables	**110,827**	77,430
Total	**692,321**	516,721

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profits of financial assets and liabilities. As at reporting date the Group had sufficient cash reserves to meet its requirements. The Group therefore had no credit standby facilities or arrangements for further funding in place.

The financial liabilities of the Group at reporting date were trade payables incurred in the normal course of the business of $34,338 (2015: $47,000). These were non interest bearing and were due within the normal 30 to 60 days terms of creditor payments. The Group had no borrowings during the year and have therefore not undertaken any further analysis of risk exposure.

(d) Fair Value Estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on current quoted market prices at reporting date. The quoted market price used for financial assets held by the Group is the current market price.

The carrying value less any required impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

5. REVENUES

REVENUES	2016	2015
Other Revenue From Continuing Operations	**$**	$
Interest	**3,911**	9,547
Total	**3,911**	9,547

6. EXPENSES

(a) Expenses, Excluding Finance Costs, Included in the Income Statement

EXPENSES	2016	2015
	$	$
Cost of Investments	-	-
Legal Fees	**3,825**	3,801
Depreciation	-	-
ASX and Share Registry Fees	**29,730**	27,382
Consultant Fees	**26,650**	29,060
Rent	**5,665**	7,505
Employee Benefits	**60,667**	82,025
Exploration Impairment	**293,764**	243,412
R&D consultants fees	**12,600**	38,943
Share Based Payments	-	202,635
General and Administration Costs	**90,675**	102,148
Total Expenses, Excluding Finance Costs	**523,576**	736,911

(b) Finance Costs

FINANCE COSTS	2016	2015
	$	$
Total Finance Costs - bank fees and charges	**381**	339

7. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share ("**EPS**") amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings (loss) per share amounts are calculated by dividing the net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period (adjusted for the effects of dilutive options).

The following reflects the income and share data used in the total operations basic and diluted earnings (loss) per share computations:

EARNINGS (LOSS) PER SHARE	2016	2015
	$	$
Basic Loss Per Share	**(0.004)**	(0.005)
Loss Used in Calculating EPS	**(407,546)**	(585,255)
Weighted Average Number of Ordinary Shares	**Number**	Number
Outstanding During the Year Used in Calculating Basic EPS	**114,124,821**	111,476,273

Diluted EPS is not disclosed as potential ordinary shares are not dilutive as their potential conversion to fully paid shares would not increase the loss per share.

(a) Capital Allotment Subsequent To Year End

The Company has not undertaken any capital raising(s) post 30 June 2016.

8. INCOME TAX EXPENSE

(a) Income Tax Expense

INCOME TAX EXPENSE	2016	2015
	$	$
Current Tax	**(96,353)**	(67,500)
Deferred Tax	**-**	-
Under (Over) Provided in Prior Years	**(16,147)**	(74,948)
Total Income Tax Expense	**(112,500)**	(142,448)

(b) Deferred Income Tax Expense Comprises

DEFERRED INCOME TAX EXPENSE	2016	2015
	$	$
(Decrease)/Increase in Deferred Tax Asset	**-**	-
(Decrease)/Increase in Deferred Tax Liability	**-**	-
Total Deferred Income Tax Expense	**-**	-

No deferred tax has been recognised in either the Income Statement or directly in equity.

(c) Reconciliation of Income Tax Expense to Prima Facie Tax Payable

RECONCILIATION OF INCOME TAX	2016	2015
	$	$
Loss From Continuing Operations Before Income Tax	**(520,046)**	(727,702)
Tax at the Australian rate of 30%	**(156,014)**	(218,311)
Tax Effect of Permanent Differences:		
Exploration Expenses	**(88,129)**	(73,024)
Share Based Payments Expense	**-**	-
Unrealised losses	**-**	-
Realised Capital Gains	**-**	-
R&D Expenses Claimed as an Offset	**75,000**	45,000
Other Deductions	**(6,515)**	-
Benefits of Tax Losses Not Brought to Account	**-**	101,787
Temporary Differences	**(600)**	(1,500)
R&D Tax Offset	**(33,750)**	(67,500)
Total Tax Payable	**(33,750)**	(67,500)

(d) Tax Losses and Other Timing Differences for Which No Deferred Tax Asset has been Recognised

TAX LOSSES RECOGNISED	2016	2015
	$	$
Unused Tax Losses with no Deferred Tax Asset Recognised	**4,179,236**	4,084,605
Accrued Superannuation/Provision for Annual Leave	**-**	600
Total Tax Losses	**4,179,236**	4,085,205

The Group has tax losses arising in Australia of $13,930,787 ($4,179,236 at 30% tax rate) (2015: $4,085,205) of which no deferred tax asset has been recognised that are available indefinitely for offset against future taxable profits of the Group.

9. DIVIDENDS PAID OR PROPOSED

There were no dividends paid or proposed during the year.

10. CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS	2016	2015
	$	$
Cash at Bank and In Hand	**81,494**	16,784
Deposits at Call	**500,000**	422,507
Total Cash and Cash Equivalents	**581,494**	439,291

Cash at bank and in hand earns interest at floating interest rates based on the daily bank rates.

(a) Interest Rate Exposure

The Group's exposure to interest rate risk is discussed in Note 4.

(b) Reconciliation to Cash at the End of the Year

The above figures represent the cash at the end of the Financial Year as shown in the Statement of Cash Flows.

11. TRADE AND OTHER RECEIVABLES (CURRENT)

TRADE AND OTHER RECEIVABLES	2016	2015
	$	$
GST Receivable	**12,632**	8,135
Tax Receivable	**96,353**	69,095
Other Debtors	**1,842**	200
Total Trade and Other Receivables	**110,827**	77,430

(a) Fair Values and Credit Risk

Due to the short term nature of these receivables the carrying values represent their respective fair values at 30 June 2016.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to Note 4 for more information on the risk management policy of the Group and the credit quality of the entity's receivables.

(b) Other Receivables

These amounts generally arise from transactions outside the usual operating activities of the Group. Collateral is not normally obtained.

12. EXPLORATION AND EVALUATION EXPENDITURE (NON CURRENT)

Recoverability of the carrying amount of exploration assets is dependent upon successful exploration and development or sale of mineral deposits of the respective areas of interest. Carrying values were assessed in light of exploration and current market conditions, and an impairment provision has been raised based on this review.

EXPLORATION AND EVALUATION EXPENDITURE	2016	2015
	$	$
As at 1 July	**5,122,934**	5,122,934
Capitalised During the Year	**293,764**	243,412
Impairment of Exploration Expenditure	**(293,764)**	(243,412)
As at 30 June	**5,122,934**	5,122,934

13. PROPERTY, PLANT AND EQUIPMENT (NON CURRENT)

PROPERTY, PLANT AND EQUIPMENT	2016	2015
Computer Equipment and Software	$	$
Cost or Fair Value	**48,909**	48,909
Accumulated Depreciation	**(48,909)**	(48,909)
Net Book Amount	-	-
Opening Net Book Amount	-	-
Additions	-	-
Disposals	-	-
Depreciation Charge for the Year	-	-
Closing Net Book Amount	-	-

14. TRADE AND OTHER PAYABLES (CURRENT)

TRADE AND OTHER PAYABLES	2016	2015
	$	$
Trade Payables	-	-
Other Creditors	**34,338**	47,000
Total Trade and Other Payables	**34,338**	47,000

Trade payables and other creditors are non interest bearing and will be settled on 30 to 60 day terms.

15. ISSUED CAPITAL

(a) Ordinary Shares

ISSUED CAPITAL	NOTE	2016	2015	2016	2015
Ordinary Shares		**Shares**	Shares	**$**	$
Issued and Fully paid	(a)	**136,036,273**	111,476,273	**17,489,441**	16,893,633
Total Contributed Equity		**136,036,273**	111,476,273	**17,489,441**	16,893,633

(b) Share Movements During the Year

SHARE MOVEMENTS	2016		2015	
	Number of Shares	**$**	Number of Shares	$
Beginning of Financial Year	**111,476,273**	**16,893,633**	111,476,273	16,893,273
New Shares Issued During Year				
Placement of Securities at 5 cents	**6,900,000**	**172,500**	-	-
Share Purchase Plan at 2.5 cents	**17,660,000**	**441,500**	-	-
Share Issue costs		**(18,192)**	-	-
End of Financial Year	**136,036,273**	**17,489,441**	111,476,273	16,893,273

(c) Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person, or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. There is no authorised or par value share as prescribed in the Group's constitution.

(d) Capital Risk Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

CAPITAL RISK MANAGEMENT		2016	2015
		$	$
Total Borrowings		-	-
Less Cash and Cash Equivalents	10	**581,494**	439,291
Net Cash		**581,494**	439,291
Total Equity		**5,780,917**	5,592,655
Total Capital		**6,362,411**	6,031,946

16. RESERVES

SHARE BASED PAYMENT RESERVE	2016	2015
	$	$
Balance at Beginning of the Year	**4,857,328**	4,654,693
Share Based Payments	-	202,635
Total Share Based Payments Reserve	**4,857,328**	4,857,328

Nature and Purpose of Reserves

The share based payment reserve is used to recognise the fair value of options issued to Directors, consultants and employees.

17. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors

The following persons were Directors of Manhattan during the Financial Year:

Name	**Position**
Alan J Eggers	Executive Chairman
Marcello Cardaci	Non Executive Director
John A G Seton	Non Executive Director

(b) Key Management Personnel

The following persons were Key Management Personnel of Manhattan during the Financial Year:

Name	**Position**
Sam Middlemas	Company Secretary

(c) Key Management Personnel Compensation

KEY MANAGEMENT PERSONNEL COMPENSATION	2016	2015
	$	$
Short Term Employee Benefits	**271,650**	274,060
Post Employment Benefits	**-**	-
Share Based Payments	**-**	202,635
Total Compensation	**271,650**	476,695

(d) Remuneration of Directors and Key Management Personnel

(i) Remuneration of Directors and Key Management Personnel

Options provided as remuneration and shares issued on the exercise of such options, together with the terms and conditions of the options, can be found in Section D of the Remuneration Report.

(ii) Option Holdings

The number of options over ordinary shares in the Company held during the Financial Year by each Director of Manhattan and Key Management Personnel, including their personally related parties, are set out below:

OPTION HOLDINGS	BALANCE AT START OF YEAR	GRANTED AS COMPENSATION	EXERCISED	EXPIRED	BALANCE AT END OF YEAR	VESTED AND EXERCISABLE	UNVESTED
2016							
Directors							
Alan Eggers	9,000,000	-	-	-	9,000,000	9,000,000	-
Marcello Cardaci[1]	2,000,000	-	-	-	2,000,000	2,000,000	-
John Seton	2,000,000	-	-	-	2,000,000	2,000,000	-
Key Management Personnel							
Sam Middlemas	2,000,000	-	-	-	2,000,000	2,000,000	-
Total	**15,000,000**	**-**	**-**	**-**	**15,000,000**	**15,000,000**	**-**
2015							
Directors							
Alan Eggers	4,500,000	9,000,000	-	(4,500,000)	9,000,000	9,000,000	-
Marcello Cardaci[1]	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	-
John Seton	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	-
Key Management Personnel							
Sam Middlemas	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	-
Total	**7,500,000**	**15,000,000**	**-**	**(7,500,000)**	**15,000,000**	**15,000,000**	**-**

[1] Mr Marcello Cardaci has an indirect interest via a current association with the trustee of Pollara Trust with respect to the Options. Registered holder is Pollara Pty Ltd as trustee of the Pollara Trust.

(iii) Share Holdings

The numbers of shares in the Company held during the Financial Year by each Director of Manhattan Corporation Limited and Key Management Personnel of the Company, including their personally related parties are set out below. There were no shares granted during the reporting period as compensation.

DIRECTORS AND OFFICERS SHARE HOLDINGS	BALANCE AT THE START OF THE YEAR	SHARE PURCHASES	SHARE SALES OR OTHER CHANGES	BALANCE AT THE END OF THE YEAR
2016				
Directors				
Alan Eggers	31,257,311	1,800,000	-	33,057,311
Marcello Cardaci	2,815,726	600,000	-	3,415,726
John Seton	3,407,260	600,000	-	4,007,260
Key Management Personnel				
Sam Middlemas	1,160,726	600,000	(310,000)	1,450,726
Total	**38,641,023**	**3,600,000**	**(310,000)**	**41,931,023**
2015				
Directors				
Alan Eggers	30,901,461	355,850	-	31,257,311
Marcello Cardaci	2,815,726	-	-	2,815,726
John Seton	3,407,260	-	-	3,407,260
Key Management Personnel				
Sam Middlemas	1,160,726	-	-	1,160,726
Total	**38,285,173**	**355,850**	**-**	**38,641,023**

(e) Loans to Key Management Personnel

There were no loans made or outstanding to Directors of Manhattan and Key Management Personnel of the Company, including their personally related parties.

(f) Other Transactions with Key Management Personnel

(i) Alan J Eggers

Alan Eggers is a director of Wesmin Corporate Pty Ltd ("Wesmin"). Wesmin has provided his services as Executive Chairman, personnel, office premises and administration staff to a value of $210,000 (2015: $211,551) to Manhattan during the year on normal commercial terms.

(ii) Marcello Cardaci

Marcello Cardaci is a partner in the firm of Gilbert + Tobin Lawyers. Gilbert + Tobin Lawyers has provided legal services of $3,000 (2015: $2,826) to Manhattan during the year on normal commercial terms.

(iii) Sam Middlemas

Sam Middlemas is a director of Sparkling Investments Pty Ltd ("Sparkling Investments"). Sparkling Investments has provided company secretarial services of $26,650 (2015: $29,060) to Manhattan during the year on normal commercial terms.

18. NON CASH INVESTING AND FINANCING ACTIVITIES

There were no non cash investing or financing activities during the year ended 30 June 2016.

19. SUBSEQUENT EVENTS AFTER END OF FINANCIAL YEAR

Since the end of the Financial Year no matters have arisen that have significantly affected or may significantly affect the operations of the Group, results of those operations or the state of affairs in financial years subsequent to 30 June 2016.

20. AUDITOR'S REMUNERATION

AUDIT SERVICES	2016	2015
Rothsay Chartered Accountants	**$**	$
Audit and Review of Financial Statements	**20,000**	12,000
Tax Work under the *Corporations Act 2001*	**3,000**	3,500
Total Remuneration for Audit Services	**23,000**	15,500

21. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES	2016	2015
	$	$
(Loss) after Income Tax for the Period	**(407,545)**	(585,255)
Adjustments for:		
Depreciation Expense	**-**	-
Exploration Provisions	**293,764**	243,412
(Profit)/Loss on Trading Securities	**-**	-
Share Based Payments Expense	**-**	202,635
Taxation movements	**(112,500)**	(142,448)
(Increase)/Decrease in Trade and Other Receivables	**(1,643)**	-
(Increase)/Decrease in Prepayments	**-**	(15,935)
(Increase)/Decrease in Provisions	**-**	-
(Increase)/Decrease in Trade and Other Payables	**(17,204)**	60,598
Cash Flow from/(Used In) Operations	**(245,128)**	(236,993)

22. SHARE BASED PAYMENTS

(a) Options

The following share based payment arrangements to Directors and employees existed at 30 June 2016.

All options granted to Director's and employees are for ordinary shares in Manhattan Corporation Limited, which confer a right of one ordinary share for every option held.

Option Holdings	Balance at Start of Year	Granted as Compensation	Exercised	Expired	Balance at End of year	Vested and Exercisable	Unvested
2016							
Directors							
Alan Eggers	9,000,000	-	-	-	9,000,000	9,000,000	-
Marcello Cardaci[1]	2,000,000	-	-	-	2,000,000	2,000,000	-
John Seton	2,000,000	-	-	-	2,000,000	2,000,000	-
Key Management Personnel							
Sam Middlemas	2,000,000	-	-	-	2,000,000	2,000,000	-
Total	**15,000,000**	**-**	**-**	**-**	**15,000,000**	**15,000,000**	**-**
2015							
Directors							
Alan Eggers	4,500,000	9,000,000	-	(4,500,000)	9,000,000	9,000,000	-
Marcello Cardaci[1]	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	-
John Seton	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	-
Key Management Personnel							
Sam Middlemas	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	-
Total	**7,500,000**	**15,000,000**	**-**	**(7,500,000)**	**15,000,000**	**15,000,000**	**-**

The weighted average remaining contractual life of share options outstanding at the end of the period was 3.42 years.

(b) Expenses Arising From Share Based Payment Transactions

There were no share based transactions during the year.

23. PARENT ENTITY INFORMATION

PARENT ENTITY INFORMATION	2016	1015
	$	$
Current Assets	**589,449**	432,654
Total Assets	**13,109,226**	12,960,766
Current Liabilities	**119,579**	232,852
Total Liabilities	**6,099,453**	6,212,726
Net Assets	**7,009,773**	6,748,040
Issued Capital	**17,489,441**	16,893,633
Share Based Payments Reserve	**4,857,328**	4,857,328
Accumulated Losses	**(15,336,996)**	(15,002,921)
Total Equity	**7,009,773**	6,748,040
Loss of the Parent Entity	**(519,928)**	(286,749)
Total Comprehensive Loss of the Parent Entity	**(519,928)**	(286,749)

In 2009 Manhattan acquired a 100% interest in Manhattan Resources Pty Ltd and this subsidiary has been consolidated since the acquisition on 21 July 2009.

24. COMMITMENTS

(a) Exploration Expenditure

Committed expenditures in accordance with tenement lease grant conditions:

EXPLORATION EXPENDITURE COMMITMENT	2016	2015
	$	$
Annual Tenement Rental Obligations	**61,646**	66,008
Annual Exploration Expenditure Commitments	**425,000**	428,000
Total Exploration Expenditure Commitment	**486,646**	494,008

(b) Capital or Leasing Commitments

There are no capital or leasing commitments as at 30 June 2016.

25. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are of the opinion that there are no contingent liabilities or contingent assets as at 30 June 2016.

26. INTERESTS IN JOINT VENTURES

Manhattan currently has no Joint Venture interests.

DIRECTORS' DECLARATION

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

(a) The Financial Statements comprising the Consolidated Statements of Comprehensive Income, Financial Position, Cash Flows, Statement of Changes in Equity and the Notes to Accompany the Financial Statements as set out on pages 28 to 53 are in accordance with the *Corporations Act 2001*, and:

(i) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) give a true and fair view of the financial position of Manhattan as at 30 June 2016 and of its performance for the Financial Year ended on that date;

(b) In the Directors' opinion, there are reasonable grounds to believe that Manhattan will be able to pay its debts as and when they become due and payable;

(c) The remuneration disclosures included in the Directors' report (as part of the Audited Remuneration report), for the year ended 30 June 2016, comply with section 300A of the *Corporations Act 2001*; and

(d) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive and Chief Financial Officers for the Financial Year ended 30 June 2016.

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

ALAN J EGGERS
Executive Chairman
29 September 2016

ASX ADDITIONAL INFORMATION

Additional information required by ASX Limited Listing Rules not disclosed elsewhere in this 2016 Annual Report is set out below.

1. ANALYSIS OF SHAREHOLDINGS

As at 29 September 2016 Manhattan Corporation Limited has on issue 136,036,273 ordinary shares. All issued ordinary fully paid shares carry one vote per share. There are six hundred and twenty three (623) holders of fully paid ordinary shares on Manhattan's share register as at 29 September 2016.

1.1 Top Twenty Shareholders

The names of shareholders in Manhattan's Top Twenty as at 28 September 2015 are as follows:

TOP 20 SHAREHOLDERS

Rank	Holder	Number	Percentage
1	Minvest Securities (New Zealand) Limited	23,851,461	17.53
2	Nicholas P S Olissoff	10,759,462	7.91
3	HSBC Custody Nominees (Australia) Limited	9,632,916	7.08
4	Alan J Eggers & Associates	9,205,850	6.77
5	Forsyth Barr Custodians Ltd <Forsyth Barr Ltd-Nominee A/C>	5,991,373	4.40
6	Edwin Spruce Arron & Jack Tone Arron <Bikini A/C>	5,158,260	3.79
7	Investment Custodial Services Limited <C A/C>	4,229,500	3.11
8	Claymore Trustees Limited	4,007,260	2.95
9	Custodial Services Limited <Beneficiaries Holding A/C>	3,970,467	2.92
10	Robert Simeon Lord	3,800,000	2.79
11	Pollara Pty Ltd <The Pollara A/C>	3,415,726	2.51
12	Sundowner International Limited	2,903,452	2.13
13	Clive James Currie	2,100,000	1.54
14	HSBC Custody Nominees (Australia) Limited <A/C 3>	1,950,000	1.43
15	M & K Korkidas Pty Ltd <M&K Korkidas P/L S/Fund A/C>	1,735,084	1.28
16	Mark Thomas Holland + Zoe Ashton Holland <Causette A/C>	1,500,000	1.10
17	Residuum Nominees Pty Ltd <The Majestic A/C>	1,250,000	0.92
18	Richard Arthur Lockwood	1,223,000	0.90
19	Ianaki Semerdziev	1,132,000	0.83
20	Residuum Nominees Pty Ltd	1,100,000	0.81
	TOTAL	**98,915,811**	**72.71**

1.2 Spread of Security Holders

As at 29 September 2016 Manhattan had 623 holders of ordinary shares with the spread of security holders as follows:

SPREAD OF SECURITY HOLDERS					
Size of Holding			Number of Holders	Shares Held	Percentage Held
1	-	1,000	57	33,049	0.02
1,001	-	5,000	144	442,031	0.32
5,001	-	10,000	105	895,760	0.66
10,001	-	100,000	223	8,841,292	6.50
100,001	-	Over	94	125,824,141	92.49
TOTAL			**623**	**136,036,273**	**100.00**

1.3 Minimum Holdings and Marketable Parcels

As at 29 September 2016 there were three hundred and fifty eight (358) holders holding less than a Marketable Parcel of ordinary shares as defined in Chapter 19 of the ASX Listing Rules. A Marketable Parcel is a parcel of securities (ordinary shares) of not less than A$500.00 based on the closing price on SEATS.

1.4 Unlisted Options

The unissued ordinary shares of Manhattan under option as at 29 September 2016 total 15,000,000 options. The options do not carry a right to vote at a general meeting of shareholders. Manhattan's unlisted option details are as follows:

UNLISTED OPTIONS				
Vesting Date	Exercise Price	Number of Options	Number of Holders	Expiry Date
28 November 2014	$0.10	15,000,000	4	28 November 2019
TOTAL		**15,000,000**		

1.5 Restricted Securities Subject to Escrow Period

As at 29 September 2016 the Company had no ordinary shares or options with rights to acquire ordinary shares the subject of escrow.

1.6 Substantial Shareholders

The following are registered by the Company as at 29 September 2016 as substantial security holders in the Company, having declared the following relevant interests in voting securities in terms of section 671B of the *Corporations Act 2001:*

SUBSTANTIAL SHAREHOLDERS

Substancial Security Holder	Number	Percentage
Alan J Eggers and Associates	33,057,311	24.30
John Andrew Gowans Seton and Associates	27,858,721	20.48
Nicholas P S Olissoff	10,759,462	7.91
CQS Asset Management Limited	9,180,000	6.75
TOTAL	80,855,494	**59.44**

1.7 Share Registrar

Manhattan's share register is maintained in Perth at:

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

Australia: 1300 850 505
International: +61 3 9415 4000
Facsimile: +61 8 9323 2033
Web Site: www.computershare.com.au

1.8 Voting Rights

OOn a show of hands every shareholder present in person or by a proxy shall have one vote and upon a poll each fully paid ordinary share shall have one vote.

1.9 Stock Exchange Listings

Manhattan's ordinary shares have been granted quotation on the Australian Stock Exchange Limited ("**ASX**"). ASX code MHC.

1.10 On Market Buyback

Currently, there is no on market buy back of the Company's securities.

2. TENEMENT SCHEDULE

As at 29 September 2016 Manhattan held interests in the following exploration tenements:

WESTERN AUSTRALIA

Tenement Number	Project	Registered Holder(s)	Manhattan's Interest	Date Granted	Expiry Date	Area	Notes
E39/1143	Ponton	MHC	100%	24 Aug 2006	23 Aug 2016	35 sub blocks	(1)
E28/1523	Ponton	MHC	100%	26 Nov 2008	25 Nov 2017	20 sub blocks	
E28/1898	Ponton	MHC	100%	11 Aug 2011	10 Aug 2016	56 sub blocks	(2)
E39/1782	Ponton	MHC	100%	10 July 2015	9 July 2020	138 sub blocks	(3)
E28/2454	Ponton	MHC	100%	App	App	121 sub blocks	

NOTES

(1)	One year Extension of Term applied for 19 August 2016
(2)	Five year Extension of Term applied for 9 August 2016
(3)	Partial surrender lodged 6 July 2016

ABBREVIATIONS

E	Exploration Licence WA	**DMP**	Western Australian Department of Mines and Petroleum
km²	Square Kilometre	**MHC**	Manhattan Corporation Limited ABN 61 123 156 089
App	Application Lodged		

AREAS

Western Australia		**1 Sub block**	**2.97km²**
Ponton Project	370 sub blocks	Total Area	**1,100km²**

MANHATTAN

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