

MANHATTAN RESOURCES LIMITED
Company Registration No. 199006289K
Incorporated in the Republic of Singapore

RESPONSE TO SGX-ST QUERIES ON 2016 ANNUAL REPORT

Manhattan Resources Limited (**Company**) has received the following queries from the Singapore Exchange Securities Trading Limited (**SGX-ST**) on 24 April 2017 in respect of the Corporate Governance Statement in the Annual Report 2016.

SGX Query (a)

Rule 715(2) of the Listing Manual states that an issuer must engage a suitable auditing firm for its significant foreign incorporated subsidiaries and associated companies. The Exchange notes that the Company has not disclosed the auditor for its foreign incorporated subsidiary, PT. Jaya Pesona Abadi (the "Subsidiary"), neither was there an indication on the significance of the Subsidiary. As required by Rule 715(2), please disclose the auditor for the Subsidiary.

The Company's Response to (a)

PT. Jaya Pesona Abadi is not a significant foreign-incorporated subsidiary and is exempted from audit under the prevailing regulations in Indonesia.

SGX Query (b)

Paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code") states that the company should name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S\$250,000. Companies need only show the applicable bands. There should be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel.

The Exchange noted that the Annual Report provided explanations for the Company's deviation from the code in relation to the detailed disclosure of remuneration and the identification of the top five key management personnel. However, the Company did not explain the deviation from the recommendation to disclose in aggregate the total remuneration paid to the top five key management personnel. As recommended in paragraph 9.3 of the Code and pursuant to Rule 710 of the Listing Manual, please disclose the aggregate the total remuneration paid to the top five key management personnel. Otherwise explain the reason(s) for the deviation from the Code.

The Company's Response to (b)

The Board is of the view that disclosure of aggregate total remuneration paid to the top five key management personnel (who are not directors nor the CEO) would not be in the interests of the Company as such information is confidential and sensitive, and could be exploited by competitors. The Company needs to maintain stability in the management team.

By Order of the Board

Low Yi Ngo
Chief Executive Officer and Managing Director
26 April 2017