



MANHATTAN RESOURCES LIMITED

Registration No: 199006289K

FOR IMMEDIATE RELEASE

Manhattan continues proposed diversification plans with proposed acquisition of *majority interest of at least 51% in PT Kariangau Power*

- ***Signs non-binding MOU to acquire majority interest of at least 51% in PT Kariangau Power***
 - ***PT Kariangau Power operates a coal-fired steam power plant in East Kalimantan, Indonesia***
- ***Demand for electricity in Indonesia is expected to rise especially in East Indonesia***

SINGAPORE – 14 Mar 2016 – SGX Mainboard-listed **Manhattan Resources Limited** (“**MRL**” and together with its subsidiaries, the “**Group**”) announced today that it has signed a non-binding memorandum of understanding (“**MOU**”) with Energy Resource Investment Pte. Ltd. (“**ERI**”) to acquire a majority stake of at least 51% shares in PT Kariangau Power (“**PT KP**”) (“**Proposed Acquisition**”). PT KP owns and operates a coal-fired steam power plant in the Kariangau industry area of Balikpapan, East Kalimantan, Indonesia.

The Proposed Acquisition is expected to allow the Group to tap into the opportunities arising from the rising demand for electricity in Indonesia, especially in East Indonesia where demand is forecasted to grow at 11.2% per annum¹. PT Perusahaan Listrik Negara (“**PLN**”), the state-owned enterprise of Indonesia that supplies public electricity, is targeting to increase Indonesia’s electrification ratio from 83% in 2014 to 98% by 2022. In East Kalimantan alone, projected production is expected to more than double to 6,702 GWh from 2014 to 2022².

¹ Source*: Electricity Supply Business Plan PT PLN (Persero) 2013 – 2022

² Source*: Opportunities and challenges of the Indonesian electrification drive, March 2015, Ernst and Young

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MRL believes that the signing of the MOU is another step in the diversification efforts to build a stable earning base, and will present an opportunity for the Group to leverage on the rising demand for electricity in Indonesia and the electrification plans of Indonesia as the country heads towards further industrialisation.

The terms of the Proposed Acquisition set out in the MOU and all other rights and obligations of such transaction are subject to the execution and delivery of the definitive agreements to be negotiated and mutually agreed to by MRL and ERI. Please refer to MRL's announcement dated 14 March 2016 in relation to the Proposed Acquisition for more information.

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About Manhattan Resources Limited

Manhattan Resources Limited, which is based in Singapore, is currently engaged in barging activities as well as the provision of logistics, marine transportation and support services to the coal mining and resources industries in Indonesia. Since 2011, it ventured into property development in the PRC with its first project, the Ningbo Yinzhou Manhattan Tower – an office and commercial tower comprising of prime retail, SOHO and high-end offices, in Yinzhou District, Ningbo, Zhejiang Province.

Manhattan Resources Limited is listed on the Mainboard of the Singapore Exchange.

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