



MANHATTAN RESOURCES LIMITED

Registration No: 199006289K

FOR IMMEDIATE RELEASE

Manhattan reports lower revenue in FY2015

- *Revenue and earnings affected by lower coal carrying activities and impairment losses*
- *Diversification into the mining business progresses through recent MOU for a proposed share swap for an interest in Urumqi Jinshi Huilong Mining*

Financial Highlights (S\$ million)	3 Months Ended 31 Dec			Financial Year Ended 31 Dec		
	4Q 2015	4Q 2014	Change (%)	FY2015	FY2014	Change (%)
Revenue	1.5	3.8	(61)	8.7	17.0	(49)
Attributable Loss After Tax	(17.4)	(2.1)	748	(24.4)	(5.9)	310
	As at 31 Dec 2015	As at 31 Dec 2014	Change (%)			
NAV Per Share (cents)	19.89	23.61	(16)			

SINGAPORE – 29 Feb 2016 – SGX Mainboard-listed **Manhattan Resources Limited** (“MRL” or together with its subsidiaries, the “**Group**”) today reported revenue of S\$1.5 million and a net attributable loss of S\$17.4 million for the three months ended 31 Dec 2015 (“**4Q 2015**”). In the same period last year (“**4Q 2014**”), the Group recorded revenue of S\$3.8 million and a net attributable loss of S\$2.1 million.

The decline in revenue was underpinned by lower coal carrying activities during the period as a result of unusually low water level. Correspondingly, vessel related expenses for 4Q 2015 decreased by 9% to S\$2.4 million, as compared to S\$2.6 million in the same period last year.

During the quarter, the Group saw lower interest income and higher staff cost, as well as recognised one-off impairment losses on vessels and trade and other receivables of S\$1.9 million and S\$11.4 million respectively. This was partially offset by a gain in foreign exchange and a decrease in legal and professional fees in 4Q 2015.

As a result of better working capital management, the Group's net operating cash flow more than doubled to S\$10.9 million for the financial year ended 31 December 2015 ("FY2015"), compared to S\$4.6 million in the same period last year ("FY2014"). The Group's balance sheet remains robust with zero debt and a cash balance of S\$86.1 million as at 31 Dec 2015.

The operating environment for the Group's barging activities continues to be challenging with uncertainties in the coal industry, driven in part by global commodities and economic conditions. The Group will focus on enhancing its operational efficiency and monitoring its operating expenses.

In the meanwhile, the Group will continue to sharpen its diversification strategy into the mineral resource business to broaden the Group's earnings base in the long term.

In January 2016, the Group entered into a memorandum of understanding in relation to an agreement for a proposed share swap for 25% of the shares of GiantMiner Pte Ltd ("GiantMiner"), with the Group's 60.0% interest in Starsmind Capital Pte Ltd ("Starsmind"). GiantMiner owns 100% of China-based mining company, Urumqi Jinshi Huilong Mining Co., Ltd, which holds mining exploration permits in respect of minerals in three (3) concession areas covering a total of 26.99 sq km in Xinjiang, PRC.

On the other hand, MRL, through its 60% stake in Starsmind, owns an indirect stake of 23.64% in a PRC-based mining company, Xinjiang Fengli Deyuan Trading Co., which holds a mining exploration permit for one (1) concession area in Xinjiang, PRC.

Once the proposed share swap is completed, the Group will no longer have any interest in Starsmind and will have an indirect interest of 25% in Urumqi Jinshi Huilong Mining Co., Ltd. The Company has since re-evaluated its strategic plans and believes that it is in the best interests of the Company and its shareholders to dispose of its interests in Starsmind and focus its resources on other investments. In addition, pending the negotiations on the possible extension of the Conditional Sale and Purchase Agreement, the share swap will enable the Company to acquire a strategic stake in GiantMiner and this is aligned with the Group's plans to diversify into the mineral resource business.

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About Manhattan Resources Limited

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

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