

CALL OPTION TO ACQUIRE UP TO 60% OF THE ISSUED SHARE CAPITAL OF STARSMIND CAPITAL PTE. LTD. – EXERCISE OF CALL OPTION

1. Introduction

The Board of Directors (**Board**) of Manhattan Resources Limited (**MRL** or **Company**), and together with its subsidiaries, the **Group** refers to its announcements of 22 April 2014, 21 July 2014, 1 September 2014, 2 October 2014, 8 October 2014 and 17 October 2014 on the call option to acquire up to 60% of the issued share capital of SCPL and the circular to Shareholders dated 3 October 2014 (**Circular**). Capitalised terms used in this announcement, unless defined in this announcement, shall bear the same meanings as capitalised terms in the Circular.

2. Exercise of Call Option

At the Extraordinary General Meeting held on 18 October 2014, Shareholders have approved, *inter alia*, the Proposed Starsmind Acquisition. The Company wishes to announce that, pursuant to the Call Option Agreement as amended and supplemented by supplemental agreements dated 21 July 2014 and 8 October 2014, the Company has on 18 October 2014 exercised Call Option 4 to acquire 60% of the issued share capital of SCPL at an Investment Amount of S\$40,000,000. The Investment Amount shall be fully satisfied by the Company through the allotment and issuance of 62,000,000 new ordinary shares at an issue price of S\$0.645 per share. The Consideration Shares, when issued, will be free from all encumbrances and will rank *pari passu* in all respects with the then MRL Shares.

Pursuant to the Call Option Agreement, completion date will be within 30 days after the Company's notice to SCPL of the exercise of the Call Option 4 or such other date as the parties may agree in writing. The Company will make further announcements upon completion.

3. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Starsmind Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

4. Caution in Trading

Shareholders are advised to exercise caution in trading their Shares. There is no certainty or assurance as at the date of this Announcement that the Proposed Starsmind Acquisition will be completed. The Company will make the necessary announcements as and when there are further developments.

Shareholders and potential investors are advised to read this Announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their legal, financial, tax or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Low Yi Ngo
Chief Executive Officer and Managing Director
19 October 2014