

MANHATTAN RESOURCES LIMITED

(Incorporated In the Republic of Singapore)

(Company Registration No. 199006289K)

CALL OPTION TO ACQUIRE UP TO 60% OF THE ISSUED SHARE CAPITAL OF STARS MIND CAPITAL PTE. LTD. (SCPL) – INVESTMENT BY SCPL IN MINERIVER

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 and 8 October 2014 on a 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. Potential dispute between existing beneficial shareholders of Mineriver

As stated in Section 4.2.1 of the Circular, SCPL has been granted an option by Mr Ho Sing Ming to acquire 39.4% of the equity interest in Mineriver (**Mineriver Interest**). Mineriver is the sole shareholder of Xinjiang Fengli and is currently 98.5% held by Mr Ho Sing Ming and 1.5% held by JES International Holdings Limited. The Company has been informed that Mr Ho Sing Ming is holding the shares of Mineriver on trust for Mr Xu Yuan Xing (37.8%) and Big Thumb (Beijing) Energy Investment Company, Ltd (56.7%) (**Big Thumb**). Mr Ho Sing Ming has also informed the Company that the Mineriver Interest will comprise shares held by him (2%) and shares held on trust for Mr Xu Yuan Xing (37.4%).

The Company has been informed by representatives of Big Thumb that Big Thumb is alleging that (i) Mr Ho Sing Ming no longer represents it in any dealing with respect to its interest in Mineriver and/or with respect to any proposed plan or transaction with respect to Xinjiang Fengli; and (ii) neither Mr Ho Sing Ming nor Mr Xu Yuan Xing has sought its consent or approval to sell or otherwise transfer their shares in Mineriver to any third party.

The Company has also been informed that while any action by Big Thumb against Mr Ho Sing Ming or Mr Xu Yuan Xing does not preclude any future commercial relationship with the Company, it cannot be completely ruled out that any such action may have commercial implications for the Company in relation to the Company's investment in Mineriver through SCPL.

As at the date of this Announcement, the Company is not aware of any other material developments in relation to this potential dispute between Big Thumb and Mr Ho Sing Ming and/or Mr Xu Yuan Xing. The Company will provide further updates to shareholders via SGXNET as and when appropriate and when it becomes aware of any material information on this matter.

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 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. The exercise of the Call Option is subject to certain conditions including the completion and satisfactory outcome of due diligence. There is no certainty or assurance as at the date of this Announcement that the Call Option will be exercised or the Acquisition will be completed. The Company will make the necessary announcements as and when there are further developments on the Acquisition.

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
17 October 2014