NEW RESOURCE AND RESERVE ESTIMATES FOR SHAMBESAI GOLD PROJECT

95% OF RESOURCE NOW MEASURED AND INDICATED CATEGORIES
SIGNIFICANT INCREASE IN HIGH GRADE OXIDE WITHIN DESIGN PIT
BANKABLE FEASIBILITY STUDY BEING FINALISED BASED ON UPDATED RESERVE ESTIMATE

HIGHLIGHTS

Resource Estimate
- Total Shambesai JORC compliant Measured, Indicated and Inferred Mineral Resource estimated from a new geological model totals 8.1Mt at 2.69g/t gold for 697,000 ounces of gold (cut-off grade of 0.3g/t Au for Oxide Resources and 0.75 g/t for Sulphide Resources and including 0.5Mt at 1.9g/t gold for 29,000 ounces of Inferred material)
- Total high-grade oxide Mineral Resource from surface increased more than 15% to 2.43Mt at 4.4 g/t gold for 346,000 ounces (2.0 g/t cut off) of gold
- Updated Mineral Resource estimate has increased the confidence levels of the estimate to include 1.2 Mt of resource classified as Measured, including 1.0 Mt Oxide and 0.2 Mt Sulphides, and increasing the Indicated Resource estimate by 1.1Mt
- More than 95% of the Shambesai Resource now in the Measured and Indicated categories

Reserve Estimate
- Shambesai Gold Project confirmed to have a Proven and Probable Reserve of 2.5Mt at 3.4g/t gold for 277,000 ounces of gold (allowing for mining losses and dilution)
- All ore volumes included within the Bankable Feasibility study (BFS) will be in the Proven and Probable categories
- New ore reserve estimate to form the basis for the BFS with an independent assessment by Perth-based independent consultants Mintrex Pty Ltd to be completed in April 2013
- Debt intermediary Optimum Capital engaged for project financing purposes

“We are extremely pleased with the results of the Resource and Reserve re-estimation which uses adjusted cut-off grades to better reflect the oxide and sulphide mine plans. In particular, the significant overall increase in ounces within the high-value oxide Mineral Resource and Reserve provides a much higher confidence level in our estimates for debt financing purposes.” Manas Resources Managing Director Stephen Ross said.
Manas Resources Limited (ASX-MSR) is pleased to report new JORC compliant Mineral Resources and Reserves for its Shambesai Gold Project in the Kyrgyz Republic, Central Asia. A Mineral Resource of 8.1 million tonnes at 2.7 g/t gold for 697,000 ounces of gold (0.3g/t gold cut-off for Oxide Resources and 0.75 g/t for Sulphide Resources) has been estimated from a new geological model developed by CSA Global in conjunction with Manas’ in-house team. A full breakdown of Measured, Indicated and Inferred Resources is provided in Table 1 below.

Based on new pit optimisations and preliminary mine design, a Proved and Probable Reserve totalling 2.5Mt at 3.4g/t gold for 277,000 ounces of gold have been identified to be economically minable by an initial open cut pit. See Table 2 below.

The new Mineral Resource and Reserve estimates for Shambesai will be used to form the basis of the Bankable Feasibility Study and for the detailed mine design. An independent assessment of the Bankable Feasibility Study will then be undertaken by Perth-based mining and engineering consultants Mintrex Pty Ltd.

| Table 1 – Resource Estimate Mineral Resources Revision - Shambesai Grade Tonnage Reported above a Cut-off Grade of 0.3 g/t Au for Oxide Resources and 0.75 g/t for Sulphide Resources |
|---|---|---|---|---|
| Category | Weathering | Material | Tonnnes | Grade (Au g/t) | Ounces |
| Measured | Oxide | Low Grade | 464,000 | 1.17 | 17,000 |
| | | High Grade | 509,000 | 4.37 | 72,000 |
| | | Sub-Total | 973,000 | 2.84 | 89,000 |
| | Sulphide | Low Grade | 66,000 | 1.31 | 3,000 |
| | | High Grade | 133,000 | 4.58 | 20,000 |
| | | Sub-Total | 200,000 | 3.48 | 22,000 |
| | Total | | 1,173,000 | 2.95 | 111,000 |
| Indicated | Oxide | Low Grade | 2,218,000 | 1.03 | 74,000 |
| | | High Grade | 1,784,000 | 4.49 | 258,000 |
| | | Sub-Total | 4,002,000 | 2.58 | 331,000 |
| | Sulphide | Low Grade | 1,258,000 | 1.32 | 54,000 |
| | | High Grade | 1,170,000 | 4.56 | 171,000 |
| | | Sub-Total | 2,428,000 | 2.88 | 225,000 |
| | Total | | 6,430,000 | 2.69 | 556,000 |
| Inferred | Oxide | Low Grade | 254,000 | 0.98 | 8,000 |
| | | High Grade | 136,000 | 3.57 | 16,000 |
| | | Sub-Total | 390,000 | 1.89 | 24,000 |
| | Sulphide | Low Grade | 35,000 | 1.39 | 2,000 |
| | | High Grade | 38,000 | 3.02 | 4,000 |
| | | Sub-Total | 73,000 | 2.24 | 5,000 |
| | Total | | 463,000 | 1.94 | 29,000 |
| Measured+Indicated+Inferred Total | | | 8,066,000 | 2.69 | 697,000 |

Note: The Mineral Resource was estimated within constraining wireframe solids based on a nominal lower cut-off grade of 0.2 g/t Au. The Mineral Resource is quoted from all blocks above a cut-off grade of 0.3 g/t Au for Oxide Resources and 0.75 g/t Au for Sulphide Resources. Low grade refers to blocks above cut-off and below 2.0 g/t Au, while High Grade refers to blocks above 2.0 g/t Au. Differences may occur due to rounding.
Main differences between the previous resource estimate and the new Mineral Resource estimate are -

- New geological interpretation of the deposit with all core being re-logged
- The introduction of differential cut-off grades in the new estimate recognising the varying economic viability of the ore types, with the Oxide cut-off grade reducing to 0.3 g/t and the Sulphide cut-off increasing to 0.75 g/t compared to the blanket 0.5 g/t used for the 2011 estimate.
- New domains for the mineralised zones at a 0.2 g/t limit rather than 0.1 g/t as previously to improve the interpretation
- Better identification of the oxide and sulphide domains within the ore bodies following extensive additional analysis.

These changes have resulted in -

- 1.2 Mt of resource now being classified as Measured, including 1.0 Mt Oxide and 0.2 Mt Sulphide.
- Increased confidence levels for the resource estimate, with the introduction of Measured Resources, Indicated Resources increased by 1.1 Mt and the Inferred Resource category reduced by 5.8 Mt.
- A reduction in the total Low Grade Sulphide Resource of 2.3 Mt and 51.8 k ounces, which account for 65% of the reduction in tonnage and 75% of the reduction in reported ounces from the Resource Estimate reported previously. The majority of this reduction occurs in the Low Grade Sulphides and largely reflects the higher cut-off grade used.

### Table 2 - Ore Reserves by Classification

<table>
<thead>
<tr>
<th>Material Type</th>
<th>Reserves within Designed Pit, including mine recovery and dilution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Classification</td>
</tr>
<tr>
<td>Oxide</td>
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<tr>
<td>Proved</td>
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</tr>
<tr>
<td>Probable</td>
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</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Sulphide</td>
<td></td>
</tr>
<tr>
<td>Proved</td>
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</tr>
<tr>
<td>Probable</td>
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<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>All Material</td>
<td></td>
</tr>
</tbody>
</table>

Note: Differences may occur due to rounding. This table should be read in conjunction with the summary of Reserve Estimate parameters provided below.
Major differences between the reserve estimate issued in November 2011 and the new reserve estimate are:

- Updated Mineral Resource estimate which increased the confidence levels of the estimate to include 1.2 Mt of resource classified as Measured, including 1.0 Mt Oxide and 0.2 Mt Sulphides, and increasing the Indicated Resource estimate by 1.1Mt.
- An increased level of confidence for the Modifying Factors, including pit design, as most of the project development studies have been completed to Feasibility Study level.

Manas is pleased to advise Perth-based Optimum Capital has been appointed to advise on the project financing options for the Shambesai Gold Project.

**SUMMARY OF RESOURCE ESTIMATE PARAMETERS**

- The updated Resource Estimate for the Manas Resources Limited (Manas), Shambesai Gold Prospect on the 100% Manas owned Isfairamsai License area in the Kyrgyz Republic, was completed in November 2012 by CSA Global Pty Ltd (CSA).
- Totals in the Mineral Resource estimate summary tables have been rounded from actual estimated results and rounding errors may occur when multiplying the summary table figures for the Shambesai Prospect.
- The Shambesai deposit is a Carlin Style gold deposit hosted within an east-west striking, south dipping and folded sequence of Carboniferous sedimentary rocks.
- The drilling database for Shambesai used for this estimate consists of 275 diamond holes for 37,576.7 metres. All drilling was completed by Manas between 2007 and 2012. There were 10 holes for 1,877.7 metres completed in 2011 and 2012 subsequent to completion of the previous Mineral Resource estimate in September 2011. Re-interpretation of the gold mineralised zones including this additional information forms the basis for this updated Mineral Resource estimate.
- Drilling has been completed on north-south sections nominally 50m apart. Drilling was completed in fans from pads roughly between 75 and 100m apart along the north-south sections. On average three holes were drilled from each pad, one vertical and one each dipping to the north and south roughly between 65 and 40 degrees. Average core recovery has been in excess of 93 percent.
- In addition to the diamond drilling, 2,631 metres of channel sampling in trenches and road cuts was used to interpret the extents of the gold mineralised zones. This data was only used for grade estimation in three minor superficial lenses where there was insufficient drill hole data available.
- The location of drill-hole collars and channel samples has been surveyed by total station DGPS methods into the UTM WGS84 Zone 43 North grid. All drill-holes have down hole surveys.
- Manas has supplied surveyed data points that have been converted to a topographic DTM covering the prospect area.
- Geological logging of drill-core and channel sampling included records of lithology, alteration and mineralisation.
- Diamond core was sawn in half with one half submitted to the Stewart Assay and Environmental Laboratories LLC (SAEL) in Kara Balta, Kyrgyz Republic.
• All samples were assayed at SAEL in Kara-Balta, Kyrgyz Republic. All assays were completed using AuFa1 fire assay with a 30g charge and an AAS finish. Approximately one third of the samples also had 34 element ICP analysis done.

• A QA/QC review of the recent drill program was undertaken by CSA in 2011. CSA concluded the QA/QC of the assay data contained some bias and precision errors, however overall was acceptable for the resource reporting, with most components within acceptable limits. QAQC measures include submission of field duplicates, laboratory repeats, umpire laboratory checks, and insertion of commercial standards and blanks to the sample stream.

• Umpire assaying was carried out by Genalysis in Perth WA, with results being generally consistent with those received from SAEL.

![Figure 1. Plan and section view of modelled mineralisation at Shambesai showing grade.](image)

• Datamine Studio 3 and Micromine software was used by CSA to import the mineralisation envelope, lithological, and oxidation state interpretation by Manas and complete the Mineral Resource estimate. A plan view of the modelled mineralisation zones, with inset section is shown in Figure 1.
Au mineralised zone sectional interpretations were based on the geological interpretations. A nominal 0.2 g/t Au grade cut off and nominal minimum 2m width were used to construct the mineralised envelopes. Wireframes are generally extrapolated half drill spacing down dip and along strike.

The majority of sampling has taken place at 1m intervals and CSA has down hole composited the assay data to 1m.

The 1m composites were flagged based on a zone coding according to the mineralised envelope in which they are located and an oxidation state code.

Based on detailed statistical analysis a top cut of 50 g/t Au and 35 g/t Au was applied to oxide and sulphide samples respectively to prevent potential estimation bias associated with outlier values.

A block model was constructed with parent cell dimensions of 20 x 10 x 2m (X x Y x Z) based on the results of a kriging neighbourhood analysis. Sub cells down to a minimum of 2 x 2 x 1m were used to honour mineralisation zone geometry. The block model was flagged in the same manner as the sampling.

Grade estimation was separately carried out using the linear estimation method of Ordinary Kriging (OK) for Au. The OK method uses estimation parameters defined by the Variography.

Quantitative Kriging Neighbourhood analysis (QKNA) was undertaken on a subset of blocks in the main domains to establish optimum search and minimum/maximum composite parameters.

Goodness-of-fit statistics are generated to assess the efficiency of the various parameters. The primary statistics used are the Kriging efficiency and the slope of regression.

A ‘flattening’ or an ‘unfolding’ process has been carried out prior to variography and interpolation.

The objectives are aimed at removing the variable dip and strike typically associated with the mineralised domains.

Variography analysis and evaluation of suitable estimation parameters based on the final variogram models were undertaken using GeoAccess software. The variograms were calculated for Au variable by domains.

A minimum of 8 samples and a maximum of 24 samples were used to estimate the sample grades into each block for the first search pass. The minimum number of samples was reduced to 4 and maximum to 12 for the third search pass.

A maximum of 4 samples from any one drill hole were used per block estimate, with cell discretisation of 5 x 5 x 2 (X x Y x Z), and no octant based searching utilised.

The results of the grade estimation were validated by means of visual comparison along sections, statistical analysis and trend plots comparing the estimated block grades and the drill hole sampling grades.

A density of 2.49 t/m3 was applied to mineralised oxide material based on 593 measurements from within the interpreted oxide portions of the mineralisation envelopes. Fresh material was allocated a density of 2.58 t/m3 based on 355 measurements. A waste density of 2.64 t/m3 was applied based on 1284 measurements.

The Mineral Resource is classified as Measured, Indicated and Inferred, based on current drill coverage, confidence in geological and grade continuity and geostatistical parameters.

The grade tonnage curve for the combined Oxide and Sulphide reported Mineral Resource estimate is presented in Figure 2 below.
SUMMARY OF RESERVE ESTIMATE PARAMETERS

The updated Reserve Estimate for the Manas Resources Limited (Manas), Shambesai Gold Prospect on the 100% Manas owned Isfairamsai License area in the Kyrgyz Republic, was completed in November 2012 by CSA Global Pty Ltd (CSA).

1. The Ore Reserve Statement is supported by:
   - Shambesai Gold Project Mining Review (Draft) February 2013
   - Mining Schedules prepared by K Rogan, Feb 2013
   - Shambesai Risk Register Jan 2013
   - BGRIMM Basic Engineering Draft Report Feb 2013
   - ESIA Update Jan 2013
   - Shambesai Pit Slope Angles, based on testing completed by Institute of Geomechanics and Mineral Resource Management, Kyrgyz National Academy of Sciences
   - Shambesai Project Summary Presentation January 2013
   - Title Licence document
   - Optimisation Results Memo, December 2012
   - Shambesai Cost Model spreadsheet, prepared by Mr P Reese, Feb 2013
2. **Notes of particular importance are:**
   - Gold Price Assumptions USD$1500/oz spot price
   - Discount Rate 8%
   - Mining Dilution 10%
   - Mining Recovery 95%
   - Metallurgical Processing Recoveries of 89.8% for high grade vat leaching and 86.4% for low grade heap leaching, as advised by Mr P Reese of Manas, who is a Competent Person in respect of this data.
   - Mining assumptions and cost estimates are as advised by Mr P Reese of Manas.
   - Cut-off grade of 0.4g/t, which is slightly higher than the optimisation COG of 0.3 g/t.
   - Whittle optimisations have been undertaken by Mr R Ramachandran, CSA Global Pty Ltd.
   - Pit designs have been prepared by ARP, based on the Whittle optimisation results
   - Pit designs have been reviewed by Mr M Weddle and Ms J Bath of CSA and compared to the optimisation results.
   - Totals in the Ore Reserve estimate summary tables have been rounded from actual estimated results and rounding errors may occur when multiplying the summary table figures for the Shambesai Prospect.

3. **The Mineral Resources classified as Measured within the designed pit have been converted to Proven Reserves due to the level of study completed including the identification and assessment of the risks associated with the project.**

Details of the Manas Resources 100% owned Kyrgyz Gold Projects can be found at the Company’s comprehensive website [www.manasresources.com](http://www.manasresources.com)

For further information -

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**Manas Resources Limited - South Kyrgyz Gold Project**

**Company Overview**

Manas Resources Limited is an Australian-based company focused on exploring and developing its 100% owned gold projects on the Tien Shan gold belt in the Kyrgyz Republic. The Company has a Mineral Resource base of 1,184,000 ounces of gold at the Obdilla and Shambesai prospects, which are only seven kilometres apart.
The main focus for Manas is exploring for Carlin-style gold deposits on seven projects collectively called the South Kyrgyz Gold Project, with Manas technical staff working on defining resources and developing these gold projects. A feasibility study has been completed, and a mining and development licence has been issued for the Shambesai Gold Project.

<table>
<thead>
<tr>
<th>Category</th>
<th>Shambesai*</th>
<th>Obdilla</th>
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<tr>
<td></td>
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<td>Ounces</td>
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<tr>
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Note: The Mineral Resource was estimated within constraining wireframe solids based on a nominal lower cut-off grade of 0.2 g/t Au. The Mineral Resource is quoted from all blocks above a cut-off grade of 0.3 g/t Au for Oxide Resources and 0.75 g/t Au for Sulphide Resources. Low grade refers to blocks above cut-off and below 2.0 g/t Au, while High Grade refers to blocks above 2.0 g/t Au. Differences may occur due to rounding.

COMPETENT PERSONS STATEMENT

The information in this Report that relates to in-situ Mineral Resources and Ore Reserves at Shambesai is based on information compiled by Bielin Shi and Joan Bath both of CSA Global. Bielin Shi takes responsibility for the Resource estimate. He is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG). Dr Bielin Shi has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. Dr Shi consents to the inclusion of such information in this report in the form and context in which it appears. Joan Bath takes overall responsibility for the Mineral Resource and Ore Reserve estimate at Shambesai. She is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity she is undertaking, to qualify as a Competent Person in terms of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004 Edition). Joan Bath consents to the inclusion of such information in this Report in the form and context in which it appears.

The information in this report that relates to the economic factors for evaluation of the Shambesai deposit is based on information compiled by Mr Philip Reese. Mr Reese is the Chief Operating Officer of Manas Resources Limited. Mr Reese is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the
activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Reese consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for Obdilla and Exploration Results is based on information compiled by Mr Stephen Ross. Mr Ross is the Managing Director of Manas Resources Limited. Mr Ross is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Ross consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

Statements regarding Manas Resources’ plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Manas Resources’ plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Manas Resources’ will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Manas Resources’ mineral properties.

Notes pertaining to Obdilla resource estimate which was estimated in December 2007 can be found at [www.manasresources.com](http://www.manasresources.com) and in the Manas Resources Limited prospectus dated May 2008.