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Manhattan

**Interim Financial Report
For the Half-Year Ended
31 December 2022**

ABN: 61 123 156 089



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CORPORATE DIRECTORY

Directors

Mr Marcello Cardaci (Non-Executive Chairman)

Mr Kell Nielsen (Chief Executive Officer) Appointed as Executive Director on 24 November 2021

Mr John Seton (Non-Executive Director)

Company Secretary

Ms Eryn Kestel

Registered Office

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West Perth WA 6005

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Share Registry

Computershare Investor Services Pty Ltd

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Auditors

Rothsay Audit & Assurance Pty Ltd

Level 1, Lincoln House

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Perth WA 6000

Securities Exchange

The Company's securities are quoted on the official list of the Australian Securities Exchange Limited, the home branch being Perth.

ASX Codes: **MHC** and **MHCO**



DIRECTORS' REPORT

The Directors present their report for Manhattan Corporation Limited (“Manhattan” or “the Company”) and its subsidiaries (“the Group”) for the half-year ended 30 December 2022.

RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members of Manhattan Corporation for the half-year to 31 December 2022 was \$363,695 (31 December 2021: \$306,565) and a net cash outflow of \$810,222 (2021: net cash outflow \$833,549). At 31 December 2022 the Group had cash assets of \$1,365,132 (30 June 2022: \$2,175,354).

OVERVIEW

During the half-year ended December 2022, Manhattan Corporation Limited (MHC or the Company) continued to advance the Tibooburra Gold Project, with a Reverse Circulation (RC) drill programme where significant high-grade mineralisation was intercepted.

TIBOOBURRA GOLD PROJECT

New South Wales

MHC Controls 100% of the Tibooburra Gold Project in the Far NW of New South Wales (NSW) through its fully owned subsidiary Awati Resources Pty Ltd (Awati).

The Tibooburra Gold Project comprises a nearly contiguous land package of 15 granted exploration licences (~2,200 square kilometres) that are located approximately 200km north of Broken Hill (Figures 1-2). It stretches 160km south from the historic Tibooburra townsite and incorporates a large proportion of the Albert Goldfields (which produced in excess of 50,000 to 100,000 ounces of Au from auriferous quartz vein networks and alluvial deposits during its short working life), along the gold-anomalous (soil, rock and drilling geochemistry, gold workings) New Bendigo Fault, to where it merges with the Koonenberry Fault, and then strikes further south on towards the recently discovered Kayrunnera gold nugget field. The area is conveniently accessed via the Silver City Highway, which runs N-S through the project area.

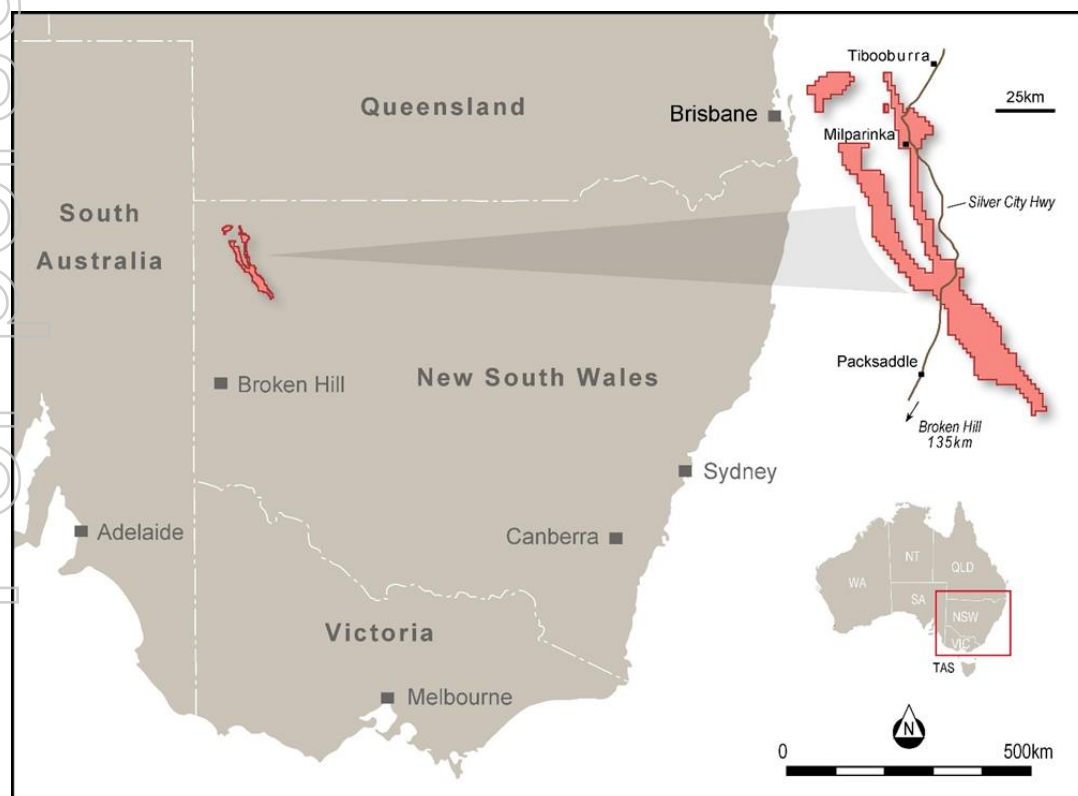


Figure 1 – Location of the Tibooburra Gold Project

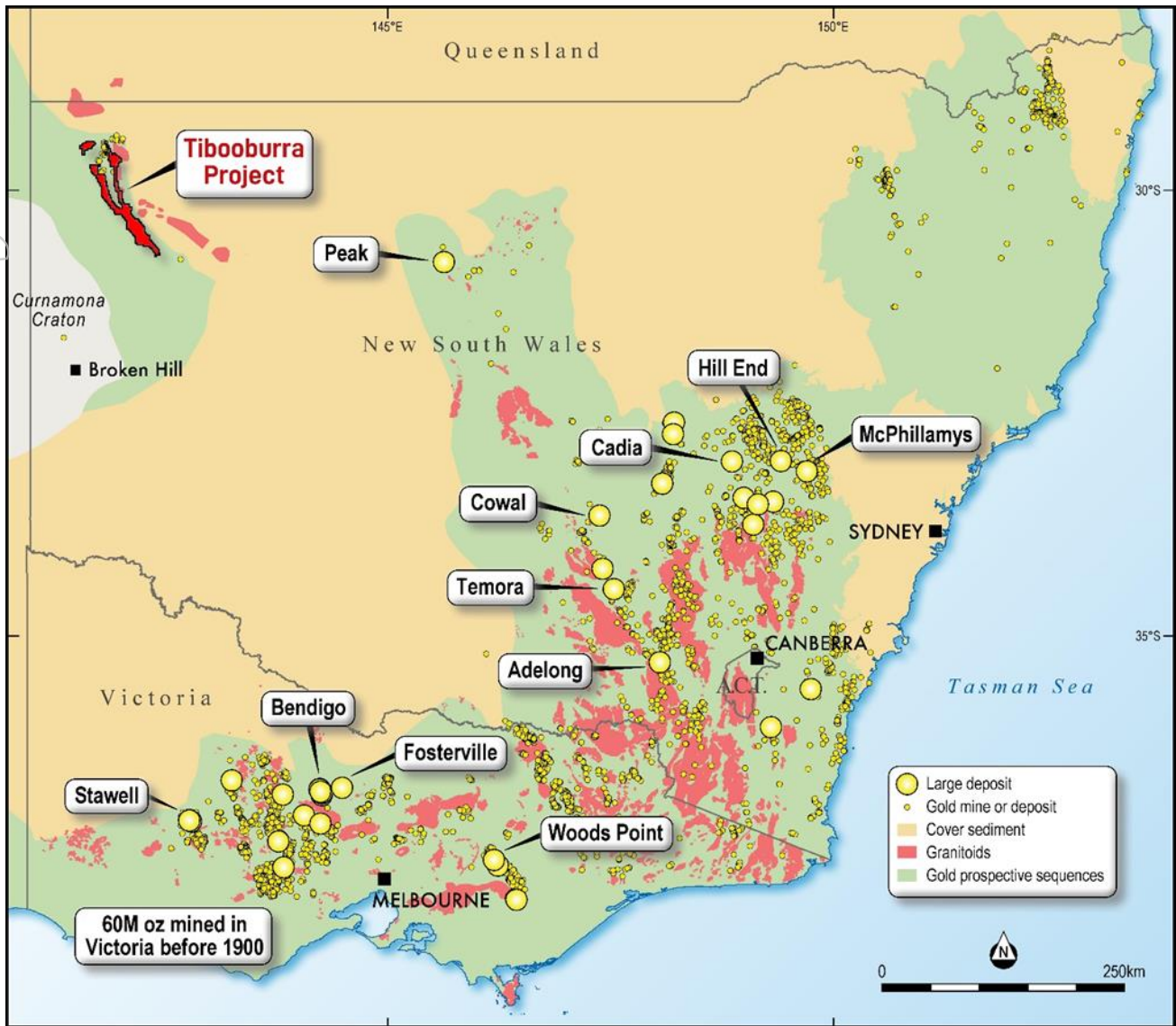


Figure 2 – Prospective Palaeozoic gold terrains (green shading) of NSW and Victoria.

During the reporting period, MHC continued to advance its Tibooburra Project primarily focused on New Bendigo (including Main Zone), Pioneer, Jeffery's Flat, Phoenix and Silverton (Figure 3).

Exploration drilling was completed over multiple campaigns, including:

- Diamond Drilling at New Bendigo;
- Structural Study aimed at identifying the controls on high-grade Au



New Bendigo Diamond Drilling – July 2022

MHC completed Diamond Drilling at New Bendigo “Main Zone” (Figure 3-5) in July 2022 with a total of four diamond holes (NBD0004-0007) and two diamond tails of previously drilled RC holes (NB0107 & NB0123) for 709.8 metres of core and 111.8m of rotary mud (RM) precollars.

Drilling was focused on evaluating the high-grade mineralisation that is interpreted to be associated with plunging veins and or shoots that has returned significant results and formed part of the structural review.

MHC received all assays during the reporting period with peak results being returned of:

- **24m at 3.55 g/t Au from 82m (NBD0005), including -**
 - **4m at 20.11 g/t Au from 96m, including,**
 - **1m at 70.2 g/t Au from 96m;**
- **2m at 2.03 g/t Au from 145m (NB0123);**
- **4m at 1.10 g/t Au from 104m (NBD0004);**
- **4m at 1.44 g/t Au from 198m (NBD0004).**

MHC had plan to complete a further ~1,500 metres of Reverse Circulation (RC) drilling at Main Zone in 2022, subject to the receipt of regulatory approvals for drilling at Clone utilising an initial structural model to define further high-grade mineralisation that has previously been intersected in drilling, including:

- **30m at 4.03 g/t Au from 11m, including 5m at 20.86 g/t Au (NB0033);**
- **16m at 13.89 g/t Au from 1m, including 3m at 69.20g/t Au (NB0083);**
- **8m at 40.5 g/t Au from 70m, including 3m at 105.34 g/t Au (NB0089);**
- **7m at 13.10 g/t Au from 97m, incl. 5m at 18.01 g/t Au (NB0113); and**
- **13m at 6.16 g/t Au from 50m, incl. 3m at 25.48 g/t Au (NB0122).**

Drilling was delayed due to the late receipt of the regulatory approvals and had been deferred to the March/June quarters of 2023.

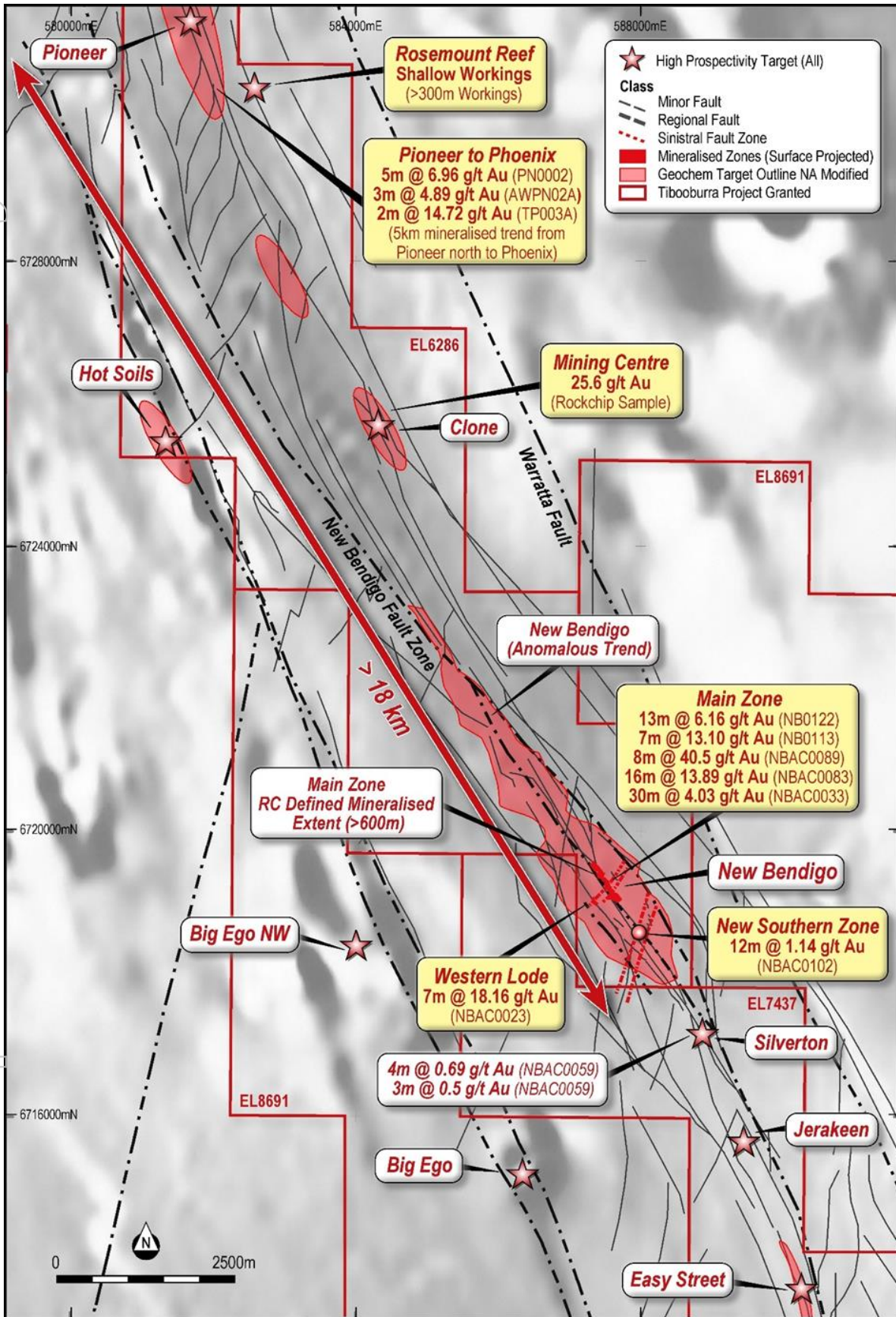


Figure 3: Tibooburra Project – Northern Target Areas (TMI RTP 1VD Grey Scale Aeromagnetic Image Background).

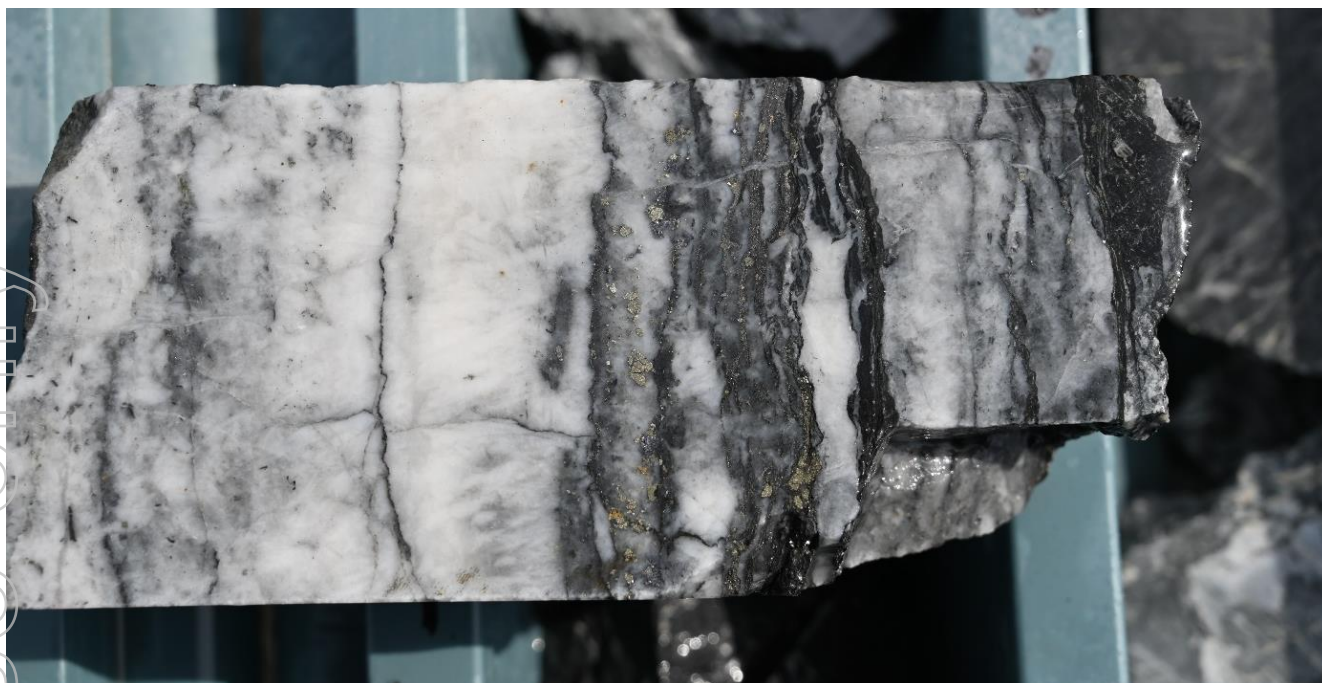


Figure 4 – Example of laminated quartz veining associated with and hosting visible Au. Strong sulphide concentrated along wallrock domains. The quartz laminations vary between milky and sugary to pale grey, translucent and cryptocrystalline. Rare stylolites and tabular, pale grey sugary quartz veins crosscut the laminations at a very high angle

New Bendigo Structural Study

MHC completed the initial stage of a planned structural study during the reporting period, the study identified:

- That intersection lineations between the regional shear foliation (penetrative fabric) and cross-cutting structural features such as veins and discrete shears may exert a plunge control on gold mineralisation, potentially promoting the formation of high-grade shoots; and
- The lower grade material intersected within the dominant shear (New Bendigo Fault Zone), may be related to bleeding/remobilisation of the higher-grade mineralisation proximal (up and down) the predominant shear fabric from high-grade mineralisation that has been formed from the intersection lineations.

The structural study was undertaken under the supervision of MHC's Structural Consultants led by Dr John Beeson (Geoscience Now) and Mr Peter Croft (Brockman Solutions) included field mapping, a review of the recently acquired diamond core and the acquisition and interpretation of televue data of selected holes.

Mapping completed of the surface outcrops at New Bendigo identified a strong, NNW-trending penetrative fabric associated with the Koonenberry Fault, with numerous quartz veins oriented sub-parallel to the penetrative fabric. A number of steeply-dipping, cross-cutting quartz-rich tensional veins have also been mapped and observed in core, varying in trend between NE-SW to ENE-WSW, together with discrete cross cutting shears developed at an acute clockwise angle to the penetrative fabric.

On the basis of this information, a three-dimensional (3D) model was created to assess the relationship between the various structural features and existing drilling coverage proximal to the new Bendigo workings. The model suggests that high grade gold mineralisation is related to the penetrative fabric, the fabric sub-parallel quartz veins, with cross cutting quartz veins and discrete shears potentially associated with high-grade intercepts. The Structural Consultants' Interpretation of this model is that intersection lineations between these structural elements may exert a plunge control on gold mineralisation, that may promote formation of discrete high-grade



shoots within the shear system. Further drilling is required to determine whether the high-grade mineralisation shows continuity along the penetrative fabric and sub-parallel quartz veins or the cross-cutting structures, or both.

For more information on the structural study, please refer to ASX Announcement by MHC on the 22/09/2022 *“Drilling to Target Potential High Grade Gold Controls”*.

Planned RC Drilling

As a result of the structural review, MHC planned to complete a further ~1,500 metres of RC drilling at New Bendigo during the reporting period, with the holes to have further downhole “Televiewer” photography collected post drilling. Televiewer formed an important role in understanding the controls on mineralisation at New Bendigo, given that the friable aspects of recovered diamond core meant that collection of structural measurements within the mineralised zones was generally ineffective.

In conjunction with the Structural Consultants, MHC has planned several holes to test the structural hypothesis. Drilling will focus on testing high grade material, specifically mineralisation associated with the intersection of the regional penetrative and intersecting fabric proximal to mineralisation and where the foliation/vein intersection has not been intersected or tested in the surrounding holes, including:

- Mineralisation intersected in three holes NB0033 (30m at 4.03, including 5m at 20.86 g/t Au), TIBR-12 (22m at 4.94 g/t Au) and TIBRB-235 (6m at 9.35 g/t Au);
- Mineralisation intersected in four holes NB0021 (2m at 17.3 g/t Au), NB0113 (7m at 13.10, incl. 5m at 18.01 g/t Au) and NBD0005 (visible gold intersected in diamond drilling (4m at 20.11, including 1m at 70.2 g/t Au);
- Mineralisation intersected NB0083 (16m at 13.89, including 3m at 69.20g/t Au);
- Mineralisation intersected NB0089 (8m at 40.5, including 3m at 105.34 g/t Au); and
- Mineralisation intersected NB0105 (63m at 1.33, including 9m at 7.22 g/t Au).

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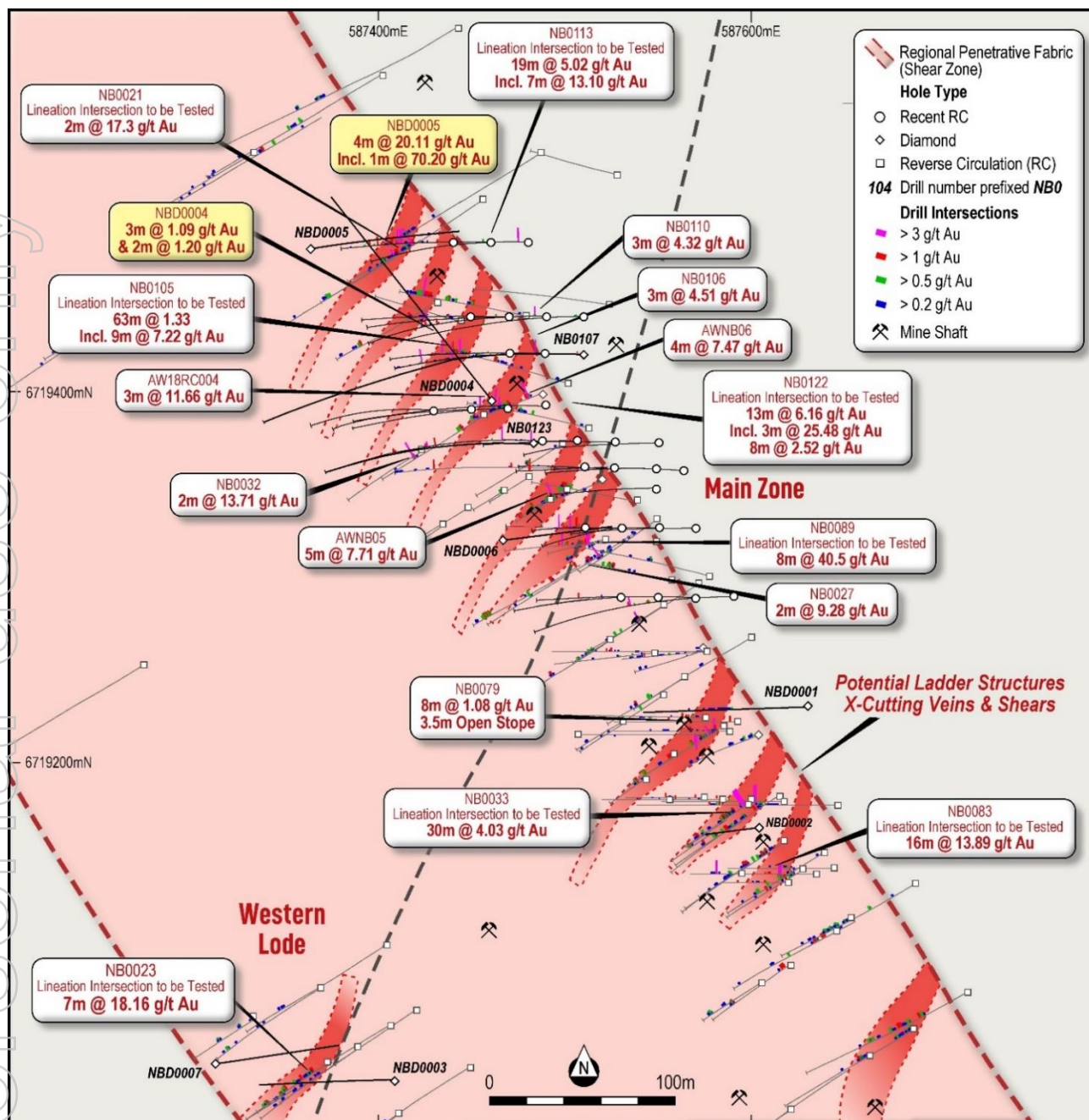


Figure 5: New Bendigo Drill Hole Collar Plan showing inferred "ladder structures" and completed diamond drilling. Drill traces are projected to surface. Type examples of high-grade mineralisation are shown as call outs



Clone RC Drilling

During late 2020, MHC commenced progressing a Land Access Agreement with the NSW National Parks and Wildlife Service Park Service (NSWPS), where NSWPS is the Registered Land Holder of a sub-leased pastoral lot of land, to undertake RC drilling on its Clone Prospect. On 23 August 2022, MHC received consent from NSWPS under National Parks & Wildlife Act 1974 (NSW) to undertake proposed exploration activities at Clone along with an access arrangement for the purposes of the Mining Act 1992 (NSW). MHC is now in the final stage of securing access to Clone and plans to complete initial RC drill testing at Clone as part of the RC programme to be completed at New Bendigo following the structural review.

Clone is located approximately 7 km to the NNW of New Bendigo (Figure 1). Clone comprises historical mining shafts (Figure 4) down to an estimated 20-40 metres below surface, covering a similar extent of strike (~450 metres) to that found at New Bendigo's "Main Zone". "Clone" occurs within a similar geological setting (lithological and structural) to "Main Zone" and has reported historical rock chip sampling of quartz vein material of up to 25.6 g/t Au (Sample No. AGC000918 584,403E, 6,725,513N MGA94_Z54).

Further historic trenching that has been undertaken ~150m east of the main line of historic workings has uncovered further untested mineralised veins, the area has yet to be drill tested.

Initial Drill testing of the highly prospective gold prospect "Clone", that was originally slated to be drilled in late 2022. Drilling was significantly delayed as final regulatory approvals were not received by the Company until the 12th of January from the Regulator, (well outside the expected timeframe). Drilling has now been deferred to the March/June quarters of 2023.



Figure 6: Clone – Extensive Historical workings



PONTON URANIUM PROJECT

Western Australia

MHC still maintains its Ponton Uranium Project in Western Australia (WA). No exploration or development was carried out on the Project during the reporting period.

The Ponton Uranium Project is a potential future low-cost in-situ metal recovery (ISR) development opportunity located in Western Australia.

The Project comprises key Exploration Licence E28/1898 and a further Exploration Licence Application (ELA 28/2454).

The Project is located within the remote Queen Victoria Spring Nature Reserve (QVSNR), 200km east northeast of Kalgoorlie. The WA state Labor government's policies of not to approve new uranium mines, or to allow mineral exploration in reserves, suggests there is little likelihood of progressing the exploration and development of the Ponton uranium project over the current four-year term of the present WA government.

Manhattan will endeavour to maintain its Ponton Uranium Project with a view that the uranium price may improve in the future and the WA government will change or its policies on uranium approvals and exploration access to reserves will change.

On 23 January 2017 Manhattan reported an upgraded JORC Code 2012 Inferred Resource for the Double 8 uranium deposit at Ponton in WA of 26 million tonnes (Mt), for 17.2 million pounds (Mlb) grading 300ppm uranium oxide (U₃O₈) at a 200ppm cutoff.

The Inferred Resource estimate reported for Ponton project is:

- Double 8 uranium deposit of 17.2 Mlb U₃O₈ at 200ppm cutoff.

Exploration Results at Ponton, reported on 7 February 2014, have also identified four wide spaced drilled Exploration Targets, namely:

- Stallion South of between 8 and 16Mlb U₃O₈;
- Highway South of between 8 and 16Mlb U₃O₈; and
- Ponton of between 15 and 30Mlb U₃O₈.

For full details of reported Mineral Resource Estimates and Exploration Targets, Competent Person's consent, material assumptions and technical parameters for the Ponton Project refer to Manhattan ASX announcements dated 23 January 2017 and 7 February 2014.



Ponton Uranium Project Inferred Resource

DOUBLE 8 INFERRED RESOURCE ESTIMATES				
CUTOFF GRADE eU ₃ O ₈ (ppm)	TONNES (MILLION)	GRADE eU ₃ O ₈ (ppm)	TONNES U ₃ O ₈ (t)	POUNDS (MILLION) U ₃ O ₈ (Mlb)
100	110	170	18,700	42.0
150	51	240	12,240	26.0
200	26	300	7,800	17.2
250	14	360	5,040	11.0

There has been no change to the Mineral Resource Estimates from 30 June 2018 Annual Report up to the date of this report.



Figure 7 – Ponton Uranium Project

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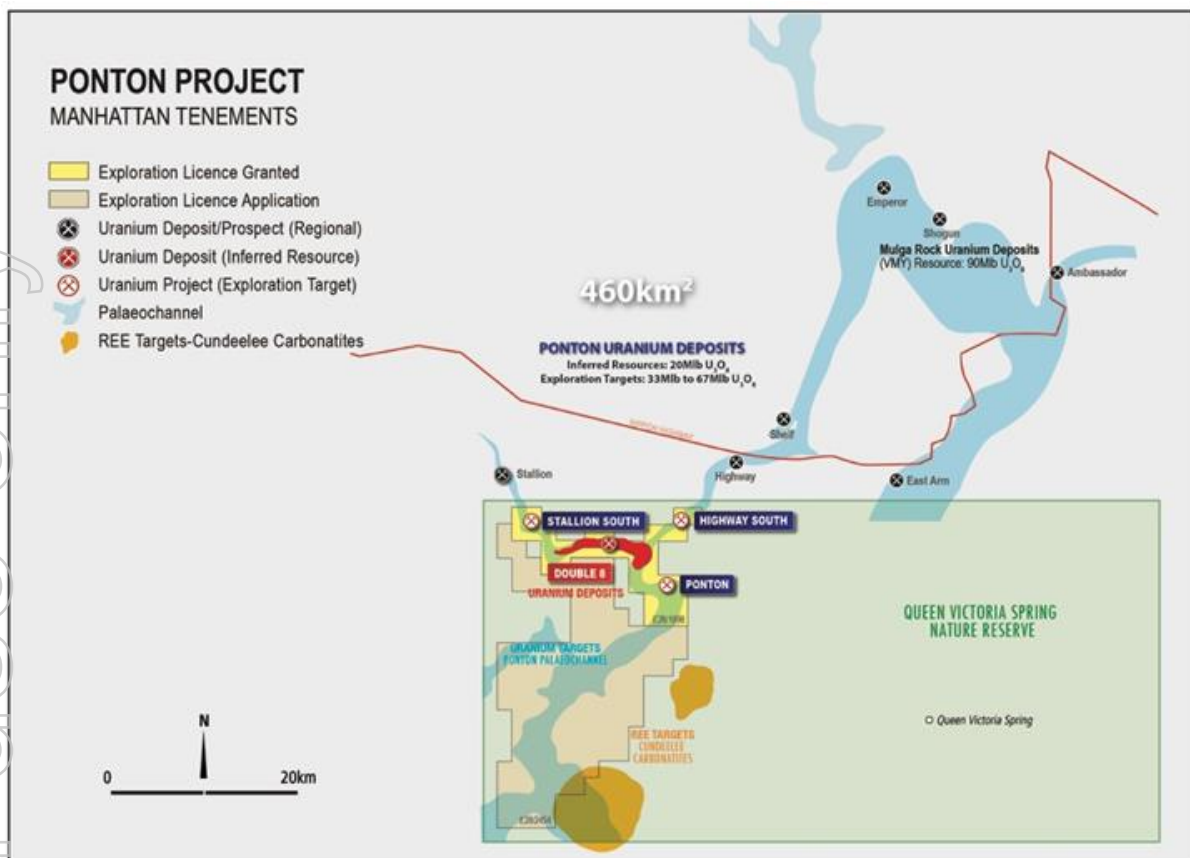


Figure 8 – Manhattan's Ponton

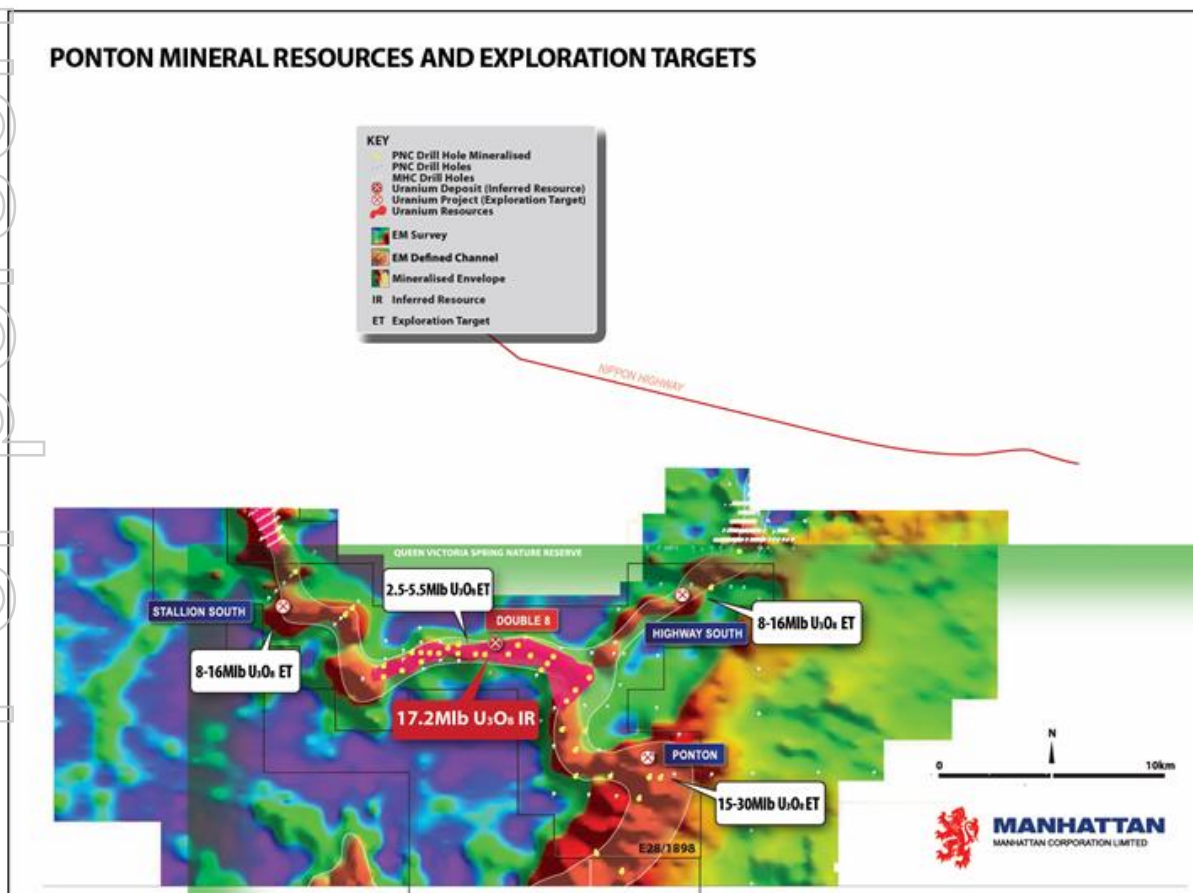


Figure 9 – Double 8 Inferred Resources – Double 8, Stallion South, Highway South & Ponton Exploration Targets.



Tenements

Details of the licenses are tabled below:

Tibooburra Gold Project Tenements

Project Area	Registered Holder	Tenement Number	Grant or Application Date	Expiry Date	Area (Sq.km)	Area (Units)
Northern Licences	Awati Resources Pty. Ltd. (100%)	EL 9202	28/06/2021	28/06/2027	73.9	25
		EL 7437	23/12/2009	23/12/2026	32.8	11
		EL 8691	02/02/2018	02/02/2027	137.3	46
		EL 8688	02/02/2018	02/02/2027	110.2	37
Southern Licences		EL 8602	23/06/2017	23/06/2026	145.2	49
		EL 8603	23/06/2017	23/06/2026	50.3	17
		EL 8607	27/06/2017	27/06/2026	147.8	50
		EL 8689	02/02/2018	02/02/2027	80.2	27
		EL 8690	02/02/2018	02/02/2027	115.7	39
		EL 8742	04/05/2018	04/05/2027	115.6	39
		EL 9010	17/11/2020	17/11/2026	83	28
		EL 9024	13/01/2021	13/01/2027	251	85
		EL 9092	15/03/2021	15/03/2027	118.7	40
		EL 9093	16/03/2021	16/03/2027	576	194
EL 9094	16/03/2021	16/03/2027	158.1	53		
Sub Totals					2,196	740

JORC Code, 2012 Edition – Table 1

As required by ASX Listing Rule 5.7, the relevant information and Tables required for previously announced results under the JORC Code can be found in the following announcements:

In reference to results quoted for previous drilling, please refer to the following announcements for the results and their respective JORC Tables for the quoted intersections for drill holes using the following prefixes:

- “TIBRB” or “AW” – Reported by MHC on the 11/02/2020, “Drilling – Tibooburra Gold Project”.
- “NB0001-32” – Reported by MHC on the 25/06/2020, “New High-Grade Gold Discovery”.
- “NB0033-72” – Reported by MHC on the 12/10/2020, “Spectacular High-Grade Gold Continues at New Bendigo”.
- “NB0072-93” – Reported by MHC on the 10/12/2021 “8m at 40.5 g/t Au intersected including 3m at 105.34 g/t Au”
- “NB0094-107” – Reported by MHC on the 23/03/2022 “Outstanding Wide Zones of Shallow Gold”
- “NBD0001-003” – Reported by MHC on the 16/12/2021 “Aircore Discovers New Gold Zone” and 29/07/2021 “2021 March Quarter Activities Report”, respectively.



- “NBAC0001-105” – Reported by MHC on the 16/12/2021 “Aircore Discovers New Gold Zone” and 29/07/2021 “2021 March Quarter Activities Report”
- “NBAC0106-206” – Reported by MHC on the 22/07/2021 and the 30/06/2021 “More High Grade at New Bendigo Main Zone” and “2021 June Quarter Activity Report”
- “NBD0004-0007 & DD Tails NB0107 and NB0123” – Reported by MHC on the 18/10/2022 “More High Grade Gold at New Bendigo”
- In reference to results quoted for the Pioneer Prospect included in text and Figures drill holes AWPNO2A and TP003, these previously released results were tabled with their respective JORC Tables by MHC on the 02/12/2019, “Manhattan to Acquire New High-Grade Gold Project in NSW”.
- In reference to the previously untabled results for drill holes PN0004 and JF001-002, Please refer to their appropriate JORC Tables reported by MHC 29/06/2022 “Visible Gold and New High Grade at Pioneer”

Competent Persons Statement

The information in this Report that relates to Exploration Results for the Tibooburra Project is based on information review by Mr Kell Nielsen who is a director and CEO of Manhattan Corporation Limited and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Nielsen has sufficient experience which is relevant to this style of mineralisation and type of deposit under consideration and to the overseeing activities which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the “Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves”. Mr Nielsen consents to the inclusion in the report of the matters based on his reviewed information in the form and context in which it appears.

Forward looking statements

This announcement may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to third party actions, metals price volatility, currency fluctuations and variances in exploration results, ore grade or other factors, as well as political and operational risks, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s Annual Reports, as well as the Company’s other releases. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.



DIRECTORS' REPORT (Continued)

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Rothsay Auditing, to provide the Directors of the Consolidated Entity with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 16 and forms part of the Directors' Report for the half-year ended 31 December 2022.

Signed on behalf of the board in accordance with a resolution of the Directors.

Marcello Cardaci
Non-Executive Chairman
13 March 2023

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AUDIT & ASSURANCE PTY LTD

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor of the review of Manhattan Corporation Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Manhattan Corporation Limited and the entities it controlled during the half-year.

Rothsay Audit & Assurance Pty Ltd



Daniel Dalla
Director

13 March 2023

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Consolidated	
		31 December 2022	31 December 2021
		\$	\$
Revenue from continuing operations			
Interest income		5,179	190
		<u>5,179</u>	<u>190</u>
Expenses			
Public company costs		(49,049)	(49,118)
Consulting and directors' fees		(168,475)	(172,932)
Legal fees		(46,247)	(2,653)
Impairment of exploration expenditure	4	(45,748)	(35,141)
Administrative expenses		(44,842)	(29,527)
Depreciation		(14,513)	(17,384)
Loss before income tax		<u>(363,695)</u>	<u>(306,565)</u>
Income tax expense		-	-
Net loss for the period		<u>(363,695)</u>	<u>(306,565)</u>
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		<u>(363,695)</u>	<u>(306,565)</u>
Loss per share attributable to owners of Manhattan Corporation Limited			
Basic and diluted loss per share (cents per share)		0.02	0.02



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Consolidated	
		31 December 2022	30 June 2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		1,365,132	2,175,354
Trade and other receivables		27,992	95,635
TOTAL CURRENT ASSETS		1,393,124	2,270,989
NON-CURRENT ASSETS			
Security deposits		198,410	198,410
Property, plant and equipment		97,889	112,402
Deferred exploration and evaluation expenditure	4	5,590,403	5,234,880
TOTAL NON-CURRENT ASSETS		5,886,702	5,545,692
TOTAL ASSETS		7,279,826	7,816,681
CURRENT LIABILITIES			
Trade and other payables	5	135,524	308,684
TOTAL CURRENT LIABILITIES		135,524	308,684
TOTAL LIABILITIES		135,524	308,684
NET ASSETS		7,144,302	7,507,997
EQUITY			
Issued capital	6	28,465,911	28,465,911
Reserves		5,112,350	5,112,350
Accumulated losses		(26,433,959)	(26,070,264)
TOTAL EQUITY		7,144,302	7,507,997



CONSOLIDATED STATEMENT OF CASH FLOWS

Notes	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(286,001)	(251,489)
Interest received	5,179	190
NET CASH USED IN OPERATING ACTIVITIES	(280,822)	(251,299)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on exploration	(529,400)	(582,250)
NET CASH USED IN INVESTING ACTIVITIES	(529,400)	(582,250)
CASH FLOWS FROM FINANCING ACTIVITIES		
NET CASH FROM FINANCING ACTIVITIES	-	-
Net (decrease) / increase in cash held	(810,222)	(833,549)
Cash and cash equivalents at beginning of period	2,175,354	4,220,680
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	1,365,132	3,387,131



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	Issued capital \$	Accumulated losses \$	Share based	Total \$
			payment reserves \$	
At 1 July 2021	28,465,911	(25,534,240)	5,112,350	8,044,021
Loss for the period	-	(306,565)	-	(306,565)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	(306,565)	-	(306,565)
Transactions with owners in their capacity as owners	-	-	-	-
At 31 December 2021	28,465,911	(25,840,805)	5,112,350	7,737,456
At 1 July 2022	28,465,911	(26,070,264)	5,112,350	7,507,997
Loss for the period	-	(363,695)	-	(363,695)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	(363,695)	-	(363,695)
Transactions with owners in their capacity as owners	-	-	-	-
At 31 December 2022	6 28,465,911	(26,433,959)	5,112,350	7,144,302



NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

1. CORPORATE INFORMATION

The financial report of Manhattan Corporation Limited (“Manhattan Corporation” or “the Company”) and its controlled entities (“the Group”) for the half-year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 13 March 2023.

Manhattan Corporation Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Financial Report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Financial Statements are for the consolidated entity consisting of Manhattan Corporation Limited and its subsidiaries. The Financial Statements are presented in the Australian currency. Manhattan Corporation Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the Directors on 13 March 2023. The Directors have the power to amend and reissue the financial statements.

Basis of Preparation

These general purpose condensed consolidated financial statements for the half-year ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001, as appropriate for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the company as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of the Company at 30 June 2022.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 31 December 2022 and to the date of this report in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

Going Concern

The Group incurred a loss for the half-year of \$363,695 (2021: \$306,565) and a net cash outflow of \$810,222 (2021: net cash outflow \$833,549). At 31 December 2022 the Group had cash assets of \$1,365,132 (30 June 2022: \$2,175,354).

The Company currently maintains the ongoing support of its major shareholders and capital markets advisers in ensuring continuing access to equity funds. The Company is confident that if required, it will be able to access additional funds through the equity markets to allow for operating and investing activities to continue. Based on this information, the Directors consider it appropriate that the financial statements be prepared on a going concern basis.

3. SEGMENT INFORMATION

The Group operates in one segment, being mineral resource exploration and assessment of mineral projects in Australia.

4. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
At beginning of the period	5,234,880	3,496,162
Exploration expenditure during the period	401,271	587,669
Impairment loss	(45,748)	(35,141)
Total exploration and evaluation	5,590,403	4,048,690

The ultimate recoupment of costs carried forward for exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas. The impairment loss relates to the withdrawal from tenements held in Australia that the Group has made a decision not to continue exploration and wrote down the carrying value to nil.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. TRADE AND OTHER PAYABLES (CURRENT)

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
Trade creditors	99,157	261,017
Accruals	36,367	47,667
	<u>135,524</u>	<u>308,684</u>

Trade payables and other creditors are non-interest bearing and will be settled on 30 to 60-day terms. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. ISSUED CAPITAL

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
(a) Issued capital		
Ordinary shares fully paid	28,465,911	28,465,911

	31 December 2022		30 June 2022	
	Number of	\$	Number of	\$
	shares		shares	
(b) Movement in shares on issue				
At beginning of the period	1,526,278,693	28,465,911	1,526,278,693	28,465,911
At 31 December / 30 June	1,526,278,693	28,465,911	1,526,278,693	28,465,911

(c) Share options

At 31 December 2022, there were 514,000,001 unissued ordinary shares under options (30 June 2022: 514,000,001 options). The details of the options and performance shares are as follows:

Description	Number	Exercise Price \$	Expiry Date
Listed Options	100,000,001	0.01	1 August 2023
Listed Options – Awati acquisition	100,000,000	0.01	1 August 2023
Performance shares – Awati acquisition	300,000,000	Nil	6 April 2025
Unlisted incentive options	14,000,000	0.01	28 April 2023
Total	514,000,001		

No option holder has any right under the options to participate in any other share issue of the Group or any other entity. No options or performance shares were issued during the half-year.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. RELATED PARTY TRANSACTIONS

There were no new related party transactions during the period.

8. NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing or financing activities during the half-year ended 31 December 2022.

9. SUBSEQUENT EVENTS AFTER END OF HALF-YEAR

No matters or circumstance have arisen since 31 December 2022 which significantly affected or could significantly affect the operations of the group in future financial years except for the following.

- On 6th February 2023, the Company announced it had entered into a binding agreement to acquire 100% of the shares in Afro Mining Pty Ltd, which via its subsidiary Continental Lithium Limited, has the rights to mineral licenses comprising the Chebogue Lithium Project, located in Nova Scotia, Canada.

The transaction is subject to a number of conditions precedent, including obtaining shareholder approvals required by the ASX Listing Rules. A General Meeting has been called for 17 March 2023.

- On 13 February 2023, the Company completed tranche one of a two-tranche placement. 228,382,728 fully paid Ordinary Shares at \$0.005 per Share were issued to sophisticated and professional investors raising approximately \$1.14 million (before costs).

A proposed second tranche of 681,617,272 Shares to sophisticated and professional investors to raise a further \$3.41 million (before costs) will be completed post 17 March 2023 following shareholder approval.

General Manager Canada, to be appointed subject to and with effect from completion of the acquisition.

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

10.

The Directors are of the opinion that there are no contingent liabilities or contingent assets as at 31 December 2022.



DIRECTORS' DECLARATION

In the opinion of the Directors of Manhattan Corporation Limited ("**Manhattan**"):

- (a) The Financial Statements comprising the Consolidated Statements of Comprehensive Income, Financial Position, Cash Flows, Statement of Changes in Equity and the Notes to Accompany the Financial Statements as set out on pages 17 to 25 are in accordance with the *Corporations Act 2001*, and:
 - (i) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the financial position of Manhattan as at 31 December 2022 and of its performance for the Half-Year ended on that date.
- (b) In the Directors' opinion, there are reasonable grounds to believe that Manhattan will be able to pay its debts as and when they become due and payable;

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:

Marcello Cardaci

Non-Executive Chairman

13 March 2023

ROTHSAY

AUDIT & ASSURANCE PTY LTD

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF

MANHATTAN CORPORATION LIMITED

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Manhattan Corporation Limited ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-Year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor's review report.

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Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Rothsay Audit & Assurance Pty Ltd

A handwritten signature in black ink, appearing to read 'Dalla', written over a light blue horizontal line.

Daniel Dalla
Director

Dated 13 March 2023