



MANHATTAN
MANHATTAN CORPORATION LIMITED



QUARTERLY REPORT



PERIOD ENDED 31 DECEMBER 2011

ABN 61 123 156 089

www.manhattancorp.com.au

TABLE OF CONTENTS

DECEMBER 2011 QUARTER HIGHLIGHTS	1
INTRODUCTION	2
REVIEW OF OPERATIONS	3
PONTON PROJECT (WA)	3
DOUBLE 8 URANIUM DEPOSIT (WA)	5
STALLION SOUTH (WA)	6
HIGHWAY SOUTH (WA)	6
PONTON (WA)	7
STALLION (WA)	8
HIGHWAY (WA)	8
SHELF (WA)	9
EAST ARM (WA)	9
GARDNER RANGE PROJECT (WA)	9
SUMMARY	10
APPENDIX 5B	11

COMPETENT PERSON'S STATEMENT

The information in this report that relates to reported Exploration Results or Mineral Resources is based on information compiled by Mr Alan J Eggers, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Alan Eggers is a professional geologist and an executive director of Manhattan Corporation Limited. Mr Eggers has sufficient experience that is relevant to the style of mineralisation and type of mineral deposits being reported on in this report 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 "JORC Code (2004)". Mr Eggers consents to the inclusion in this report of the information on the Exploration Results or Mineral Resources based on his information in the form and context in which it appears.

DECEMBER 2011 QUARTER HIGHLIGHTS

- Ponton project has 17.2Mlb uranium oxide Inferred Resource with an additional 33 to 67Mlbs U₃O₈ Mineralisation Potential reported
- Shallow permeable sand hosted resource and targets in palaeochannel deposits confirm potential for a world class ISL uranium development project at Ponton
- Tetra Tech's desktop scoping study is positive indicating the project has potential to be a viable, sustainable ISL uranium producer with low operating costs and modest capital requirements to develop
- All exploration licences at Ponton now granted
- Manhattan now seeks to have the key licence, E28/1898 that covers most of the resources and targets within QVSNR, excised from the reserve
- On gaining exploration access to E28/1898 Manhattan will immediately commence a major drill out of the deposits and mine development studies
- Double 8 deposit ranks as number 20 in Australia and 7th largest reported resource in Western Australia with potential to expand on this resource base during the drill out
- Outlook for uranium and nuclear power is positive with nuclear industry expansion underway worldwide with 61 new reactors under construction
- Uranium price set to rise in 2012 as nuclear fuel supply shortfall of 85Mlbs a year by 2014 and up to 165Mlbs a year by 2022 unfolds
- Uranium stocks improve and investor sentiment returns to sector early in 2012 as investors seek uranium companies with advanced resources, near term production or production
- Gold exploration underway on Gardner Range JV in the world class Tanami Arunta gold province
- Manhattan retains cash and investments in ASX listed uranium companies of \$1.67 million
- SPOT MARKET URANIUM OXIDE AT US\$52.50 POUND

INTRODUCTION

Manhattan Corporation Limited's ("Manhattan") flagship project is the Ponton project in WA where the Company is drill testing and developing palaeochannel sand hosted uranium mineralisation amenable to in-situ leach ("ISL") metal recovery (Figure 1).

Drilling within the palaeochannels at Ponton has established extensive continuity of the carbonaceous sand hosted anomalous uranium mineralisation for over 55km of strike.

In 2011 Manhattan reported a JORC Inferred Resource estimate for the Double 8 uranium deposit at Ponton of 17.2 million pounds ("Mlb") uranium oxide (" U_3O_8 ") at a 200ppm cutoff. In addition, Exploration Results reported by Manhattan in 2011 identified further Mineralisation Potential totalling 33 to 67Mlb U_3O_8 for Double 8, Stallion South, Highway South and Ponton prospects at the 200ppm U_3O_8 cutoff.

Manhattan's priority is now to gain exploration access to its granted key Exploration Licence, E28/1898 located mostly within the Queen Victoria Spring Nature Reserve ("QVSNR"), by having the licence excised from the Reserve. On gaining exploration access to E28/1898 Manhattan will recommence drill testing and evaluation of the Double 8 uranium deposit and the Mineralisation Potential identified at Double 8, Stallion South, Highway South and Ponton prospects that will underpin the future development of the project.

Manhattan also retains a 40% interest in the Gardner Range uranium and gold project in WA (Figure 1) where Northern Minerals Limited are operators and earning up to an 80% interest by sole funding and completing a mining prefeasibility study.

FIGURE 1: MANHATTAN'S AUSTRALIAN URANIUM PROJECTS



Manhattan's strategy for growth is to expand and upgrade its reported sand hosted uranium resources and define new uranium deposits at its flagship Ponton uranium project in Western Australia. The Company plans to continue to drill and develop a number of palaeochannel hosted uranium oxide resources including the Double 8, Stallion, Highway and Ponton uranium deposits to ISL mine development stage at Ponton.

Manhattan retained, on 24 January 2012, \$0.42 million in cash plus liquid investments in three ASX listed uranium companies valued at \$1.25 million.

REVIEW OF OPERATIONS

1

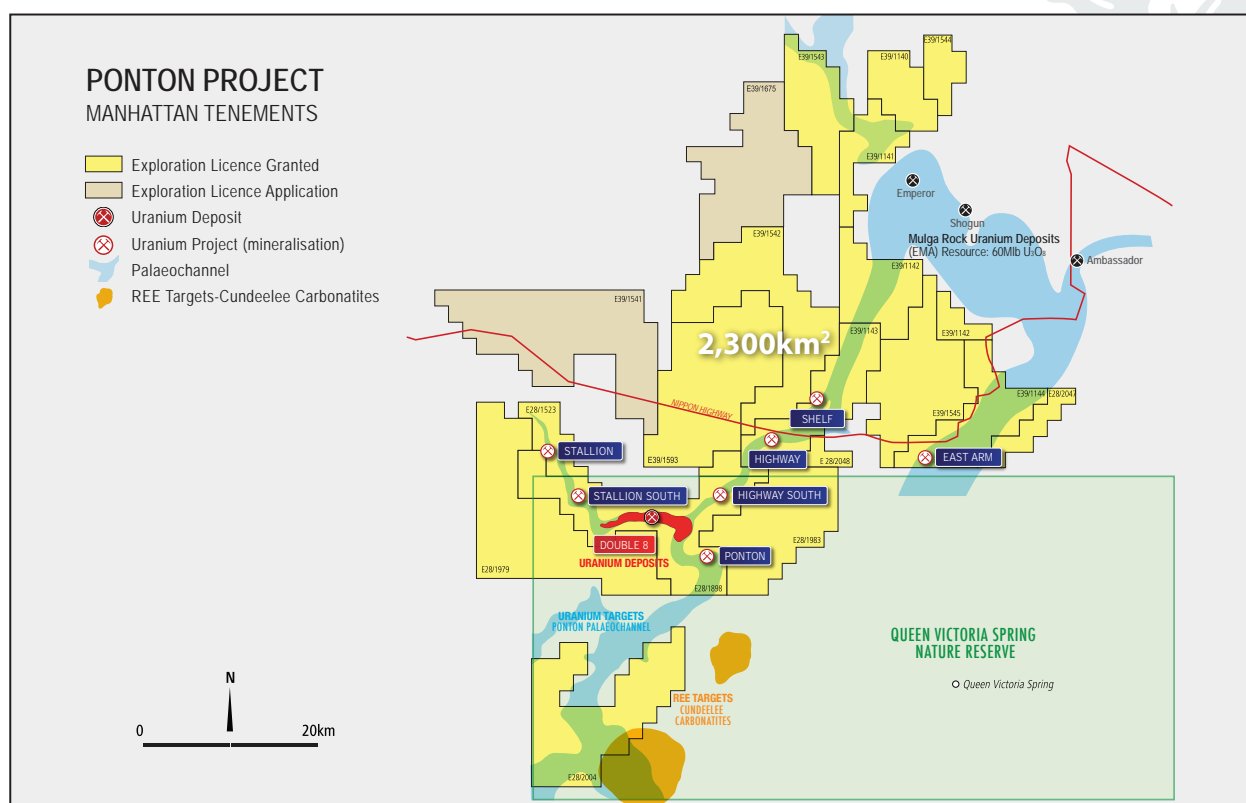
PONTON PROJECT (WA)

Interest: **Manhattan 100%**

Operator: **Manhattan Corporation Limited**

Manhattan's Ponton project is located approximately 200km northeast of Kalgoorlie on the edge of the Great Victoria Desert in WA. The Company has 100% control of around 2,310km² of applications and granted exploration tenements underlain by Tertiary palaeochannels within the Gunbarrel Basin. These palaeochannels are known to host a number of uranium deposits and drilled uranium prospects (Figure 2).

FIGURE 2: MANHATTAN'S PONTON TENEMENTS



The Ponton Project includes the Double 8 uranium deposit that has a JORC Inferred Resource of 17.2Mlb U₃O₈ at a 200ppm cutoff. The deposit is located on E28/1898 within the QVSNR (Figures 2 & 3).

In addition, Exploration Results reported by Manhattan in March 2011 identified Mineralisation Potential totalling 33 to 67Mlb U₃O₈ at the 200ppm U₃O₈ cutoff in four prospects at:

- Double 8 of between 2.5 and 5.5Mlb U₃O₈;
- Stallion South of between 8 and 16Mlb U₃O₈;
- Highway South of between 8 and 16Mlb U₃O₈; and
- Ponton of between 15 and 30Mlb U₃O₈

Stallion, Highway and Shelf prospects have been systematically drilled to a detail that would support resource estimations. The resource potential for these three prospects will be assessed when further secular disequilibrium data are received, models refined and conversion procedures for Manhattan's down hole gamma probe data to grade eU₃O₈ are finalised by the Company's independent resource consultants. Preliminary information gives a strong likelihood that a disequilibrium factor for these prospects may be significantly higher than the x1.2 currently assumed for the Inferred Resources at Double 8.

REVIEW OF OPERATIONS

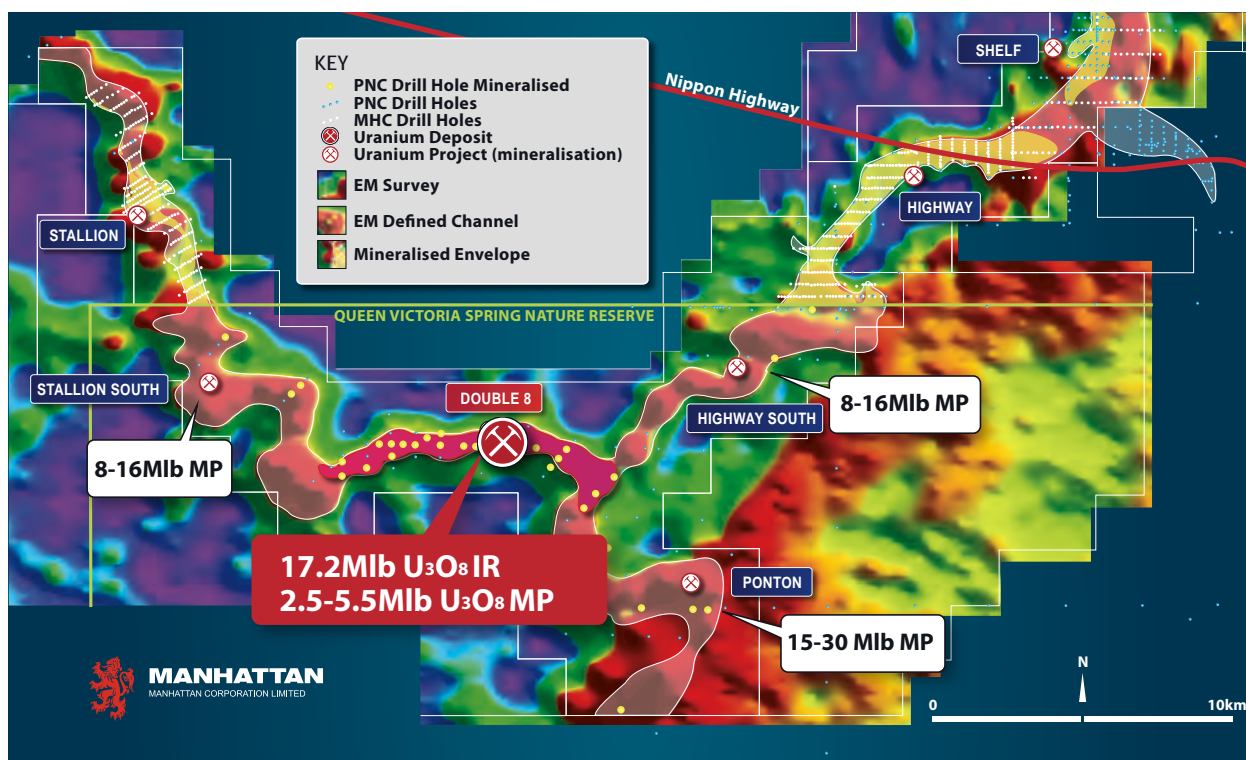
1

PONTON PROJECT (WA)
(continued)

Carbonaceous sand hosted uranium mineralisation, below 40 to 70 metres of cover, has now been defined in drill holes along 55 kilometres of Tertiary palaeochannels at Stallion, Stallion South, Double 8, Ponton, Highway South and Highway prospects (Figure 3). At a depth of 40 to 70 metres the uranium mineralisation is in shallow reduced sand hosted tabular uranium deposits in a confined palaeochannel that are potentially amenable to ISL metal recovery, the lowest cost method of producing yellowcake with the least environmental impact.

These palaeochannels connect with Energy and Minerals Australia's lignite hosted Mulga Rock uranium deposits with a reported inferred resource estimate of 27,100 tonnes (60Mlb) U_3O_8 (Figures 1 & 2).

FIGURE 3: DOUBLE 8 RESOURCE, STALLION SOUTH, HIGHWAY SOUTH & PONTON PROSPECTS



Manhattan's aircore and sonic drilling program was targeted at sand hosted uranium mineralisation in over 100km of conductive palaeochannels defined by the Company's airborne EM and magnetic surveys and around uranium mineralised sands discovered in previous drilling by Manhattan, PNC Exploration ("PNC") and Uranerz in the area.

Manhattan's three Exploration Licence applications that encroach on, or are within, the QVSNR (EL's 28/1898, 1983 & 2004) were granted in August 2011. Manhattan is now seeking to have the key licence, E28/1898 located mostly within the QVSNR, excised from the Reserve. On gaining exploration access to E28/1898 Manhattan will recommence drill testing and evaluation of the Double 8 uranium deposit and the Mineralisation Potential identified at Double 8, Stallion South, Highway South and Ponton prospects that will underpin the future development of the project.

REVIEW OF OPERATIONS

2

DOUBLE 8 URANIUM DEPOSIT (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

The Double 8 uranium deposit is located in tenement application E28/1898 in the southwest of the project area within the QVSNR (Figures 2 & 3).

DOUBLE 8 INFERRED RESOURCE ESTIMATES

An Inferred Resource of 7,800 tonnes (17.2Mlb) of uranium oxide at a 200ppm U_3O_8 cutoff for the Double 8 uranium deposit was reported in 2011. The reported resources are based on RC drilling by PNC in the mid 1980's and are classified as Inferred in accordance with the JORC Code (2004).

Double 8 Reported Inferred Resources

DOUBLE 8 INFERRED RESOURCE ESTIMATES				
CUTOFF GRADE U_3O_8 (ppm)	TONNES (MILLION)	GRADE U_3O_8 (ppm)	TONNES U_3O_8 (t)	POUNDS (MILLION) U_3O_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

Where U_3O_8 is reported it relates to grade values calculated from down hole radiometric gamma logs. Double 8 drill holes were logged by PNC using Austral L300 Middiloggers for natural gamma radiation. Four Austral L300 loggers were used by PNC in the area, calibrated against each other on a regular basis, and gamma responses compared to chemical assays from a number of core holes. Conversion factors for gamma response to U assays assuming secular equilibrium were then established. eU_3O_8 grades are then estimated by converting down hole radiometric gamma logs to equivalent uranium eU and multiplied by 1.179 to convert to equivalent uranium grades eU_3O_8 . A further disequilibrium factor is applied by multiplying eU_3O_8 by 1.2 to establish U_3O_8 . Down hole radiometric gamma logging in sand hosted uranium deposits, similar to Double 8, is a common and well established method of estimating uranium grades. All U_3O_8 grade results reported are subject to possible disequilibrium factors that should be taken into account when assessing the reported grades.

DOUBLE 8 MINERALISATION POTENTIAL

Exploration Results reported in 2011 have identified further uranium Mineralisation Potential at Double 8. At a 200ppm U_3O_8 cutoff reported Mineralisation Potential at Double 8 includes 4 to 8Mt grading 250 to 450ppm U_3O_8 containing 1,100 to 2,500 tonnes or 2.5 to 5.5Mlb of contained U_3O_8 .

Double 8 Reported Mineralisation Potential

DOUBLE 8 MINERALISATION POTENTIAL				
CUTOFF GRADE U_3O_8 (ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U_3O_8 (ppm)	TONNAGE RANGE U_3O_8 (t)	POUNDS RANGE (MILLION) U_3O_8 (Mlb)
200	4 - 8	250 - 450	1,100 - 2,500	2.5 - 5.5

In accordance with clause 18 of the JORC Code (2004), tonnage and grade ranges reported as Mineralisation Potential in this report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a mineral resource and it is uncertain if further exploration and drilling will result in the determination of a reportable resource.

The uranium mineralisation at Double 8 remains open and is yet to be closed off by drilling. Manhattan considers that further drilling of the Double 8 deposit will expand on the reported resource and the confidence levels of resources will improve and report to higher confidence categories under the JORC Code (2004).

REVIEW OF OPERATIONS

3

STALLION SOUTH (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

Stallion South is located immediately to the south of Stallion and northwest of Double 8 along the Ponton palaeochannel. This prospect is within licence application E28/1898 within the QVSNR (Figures 2 & 3).

The drilled uranium mineralisation at Stallion South is also hosted in palaeochannels within reduced carbonaceous sands and weathered granitic sands in a confined aquifer overlying crystalline granite basement.

STALLION SOUTH MINERALISATION POTENTIAL

Exploration Results in reported 2011 identified Mineralisation Potential at a 200ppm U_3O_8 cutoff for Stallion South of 12 to 24Mt grading 250 to 350ppm U_3O_8 containing 3,600 to 7,300 tonnes or 8 to 16Mlb of contained U_3O_8 .

Stallion South Reported Mineralisation Potential

STALLION SOUTH MINERALISATION POTENTIAL				
CUTOFF GRADE U_3O_8 (ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U_3O_8 (ppm)	TONNAGE RANGE U_3O_8 (t)	POUNDS RANGE (MILLION) U_3O_8 (Mlb)
200	12 - 24	250 - 350	3,600 - 7,300	8 - 16

In accordance with clause 18 of the JORC Code (2004), tonnage and grade ranges reported as Mineralisation Potential in this report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a mineral resource and it is uncertain if further exploration and drilling will result in the determination of a reportable resource.

On E28/1898 being excised from the QVSNR, further resource definition drilling will commence at the Stallion South prospect.

4

HIGHWAY SOUTH (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

Highway South is centred 5km along the palaeochannel to the northeast of Double 8. This prospect is within licence application E28/1898 within the QVSNR (Figures 2 & 3).

The drilled uranium mineralisation at Highway South is also hosted in palaeochannels within reduced carbonaceous sands and weathered granitic sands in a confined aquifer overlying crystalline granite basement.

HIGHWAY SOUTH MINERALISATION POTENTIAL

Exploration Results in reported 2011 identified Mineralisation Potential at a 200ppm U_3O_8 cutoff for Highway South of 12 to 24Mt grading 250 to 350ppm U_3O_8 containing 3,600 to 7,300 tonnes or 8 to 16Mlb of contained U_3O_8 .

REVIEW OF OPERATIONS

4

HIGHWAY SOUTH (WA)
(continued)*Highway South Reported Mineralisation Potential*

HIGHWAY SOUTH MINERALISATION POTENTIAL				
CUTOFF GRADE U ₃ O ₈ (ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U ₃ O ₈ (ppm)	TONNAGE RANGE U ₃ O ₈ (t)	POUNDS RANGE (MILLION) U ₃ O ₈ (Mlb)
200	12 - 24	250 - 350	3,600 - 7,300	8 - 16

In accordance with clause 18 of the JORC Code (2004), tonnage and grade ranges reported as Mineralisation Potential in this report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a mineral resource and it is uncertain if further exploration and drilling will result in the determination of a reportable resource.

On E28/1898 being excised from the QVSNR, further resource definition drilling will commence at the Highway South prospect.

5

PONTON (WA)**Interest:** Manhattan 100%**Operator:** Manhattan Corporation Limited

Ponton is located along the palaeochannel to the southeast of Double 8. This prospect is within licence application E28/1898 within the QVSNR (Figures 2 & 3).

The drilled uranium mineralisation at Ponton is also hosted in palaeochannels within reduced carbonaceous sands and weathered granitic sands in a confined aquifer overlying crystalline granite and Patterson Group shale basement.

PONTON MINERALISATION POTENTIAL

Exploration Results in reported 2011 identified Mineralisation Potential at a 200ppm U₃O₈ cutoff for Ponton of 23 to 45Mt grading 250 to 350ppm U₃O₈ containing 6,800 to 13,600 tonnes or 15 to 30Mlb of contained U₃O₈.

Ponton Reported Mineralisation Potential

PONTON MINERALISATION POTENTIAL				
CUTOFF GRADE U ₃ O ₈ (ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE U ₃ O ₈ (ppm)	TONNAGE RANGE U ₃ O ₈ (t)	POUNDS RANGE (MILLION) U ₃ O ₈ (Mlb)
200	23 - 45	250 - 350	6,800 - 13,600	15 - 30

In accordance with clause 18 of the JORC Code (2004), tonnage and grade ranges reported as Mineralisation Potential in this report must be considered conceptual in nature as there has been insufficient exploration and drilling to define a mineral resource and it is uncertain if further exploration and drilling will result in the determination of a reportable resource.

On E28/1898 being excised from the QVSNR, further resource definition drilling will commence at the Ponton prospect.

REVIEW OF OPERATIONS

6

STALLION (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

The Stallion uranium prospect is located in E28/1523 and centred 14 kilometres northwest of the Double 8 uranium deposit at Ponton (Figures 2 & 3).

In 2010 Manhattan completed 221 vertical aircore drill holes totalling 16,914m and 16 duplicate sonic drill holes totalling 1,177m of drilling at Stallion. Drilling has been completed on 200m and 400m spaced lines with holes drilled at 100m centres along each grid line across the palaeochannel within mineralised zones. All drill holes were gamma logged.

The Stallion prospect has been systematically drilled along 8 kilometres of the palaeochannel (Figure 3). The resource potential for the Stallion prospect will be assessed by the Company's independent resource consultants when the secular disequilibrium data, resource modelling and conversion procedures for Manhattan's down hole gamma probe data to grade eU_3O_8 are finalised. Preliminary information gives a strong likelihood that a disequilibrium factor for the Stallion prospect may be significantly higher than the x1.2 currently assumed for the Inferred Resources at Double 8.

The geological controls and style of the palaeochannel sand hosted uranium mineralisation at Stallion are similar to the mineralisation encountered at Double 8.

7

HIGHWAY (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

The Highway uranium prospect is located in E28/1523 and E39/1143 centred 15 kilometres northwest of the Double 8 uranium deposit at Ponton (Figures 2 & 3).

In 2010 Manhattan completed 275 vertical aircore drill holes totalling 17,670m and 3 duplicate sonic drill holes totalling 144m of drilling at Highway. Drilling has been completed on 400m spaced lines with holes drilled at 100m centres along each grid line across the palaeochannel within mineralised zones. All drill holes were gamma logged.

The Highway prospect has also been systematically drilled along 10 kilometres of the palaeochannel (Figure 3). The resource potential for the Highway prospect will be assessed when the secular disequilibrium data are received, models refined and conversion procedures for Manhattan's down hole gamma probe data to grade eU_3O_8 are finalised by the Company's independent resource consultants. As at Stallion and Shelf preliminary information gives a strong likelihood that a disequilibrium factor for the Highway prospect may be significantly higher than the x1.2 currently assumed for the Inferred Resources at Double 8.

Apart from some shallow lignite hosted uranium mineralisation encountered along the northern part of the palaeochannel at Highway, the geological controls and style of the channel sand hosted uranium mineralisation at Highway are similar to the mineralisation encountered at Double 8 and Stallion.

REVIEW OF OPERATIONS

8

SHELF (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

The Shelf prospect is located along the palaeochannel approximately 10km northeast of Highway in E39/1143.

At the Shelf drilling by PNC and Uranerz was closer spaced (on 200m x 100m centres) which identified shallower lignite hosted uranium mineralisation within the upper sandstone and claystone.

In 2010 Manhattan drilled on lines approximately 800m and 1.2km apart along 20km of the palaeochannel to the north of Highway and 8 duplicate aircore holes into the lignite mineralisation at the Shelf prospect.

The resource potential for the Shelf prospect will be assessed when the secular disequilibrium data are received, models refined and conversion procedures for Manhattan's down hole gamma probe data to grade eU_3O_8 are finalised by the Company's independent resource consultants. Again, preliminary information gives a strong likelihood that a disequilibrium factor for the Shelf prospect may be significantly higher than the x1.2 currently assumed for the Inferred Resources at Double 8.

9

EAST ARM (WA)

Interest: Manhattan 100%

Operator: Manhattan Corporation Limited

Manhattan has undertaken 3,210m of reconnaissance aircore drilling across the palaeochannel at East Arm located 16km east of Highway on E39/1144. To date, no significant uranium mineralisation has been encountered in drill holes at East Arm.

10

GARDNER RANGE PROJECT (WA)

Interest: Manhattan 40%

Operator: Northern Minerals Limited

The Gardner Range project is located in the Tanami region of WA approximately 150km southeast of Halls Creek. Manhattan holds four granted exploration licences covering 550km² bordering the Northern Territory.

The target is high grade unconformity related uranium mineralisation similar to the Athabasca Basin deposits and the Ranger uranium mine in NT and gold mineralisation similar to the Tanami Arunta province Callie, Granites and Tanami gold mines. Historic drilling at the Don uranium prospect hole BIR001, within the project area, intersected 0.44m of 1.5% U_3O_8 and 1.74ppm gold at a depth of 40m.

Manhattan retains a 40% interest in the Gardner Range uranium project where Northern Minerals Limited ("Northern") are operators and earning up to an 80% interest by sole funding and completing a mining prefeasibility study.

In the September quarter 2011 Northern drilled 9 holes for 1,407m of drilling for uranium at Gardner. Six holes intersected the target unconformity but down hole gamma logging did not return any significant results. Soil sampling near the Don and Venus prospects returned positive gold results that included anomalous gold up to 228ppbAu. 2,500m of drilling was proposed to test these soil anomalies in the December quarter.

Rock chip samples assaying up to 16.8g/tAu at Venus, previous drilling at the Don (2m @ 1.74g/tAu) and exploration conducted by BHP in the 1980's indicates the project area, within the world class Tanami Arunta gold province, is very prospective for gold mineralisation.

REVIEW OF OPERATIONS

SUMMARY

In 2011 Manhattan reported a revised Inferred Resource for Double 8 of 17.2Mlb of uranium oxide with an additional reported Mineralisation Potential at Double 8 and Stallion South, Highway South and Ponton prospects in the order of 33 to 67Mlbs. The sand hosted uranium mineralisation is located in shallow, 40 to 70 metres deep, contiguous palaeochannels within Manhattan's project area at Ponton.

The shallow near surface sand hosted resource and drilled targets within the palaeochannels confirms the deposits potential for a world class ISL uranium development project at Ponton.

Tetra Tech's desktop study of Manhattan's Ponton uranium project is positive and indicates the project has potential to become a viable and sustainable ISL uranium producer with comparatively low operational costs per pound of uranium oxide that would require a relatively modest capital investment. Tetra Tech recommends further work be undertaken to confirm the project's technical and economic viability.

Manhattan's four Exploration Licences that encroach on, or are within, the QVSNR were granted in August 2011. Manhattan is now seeking to have the key licence, E28/1898 located mostly within the QVSNR, excised from the Reserve. On gaining exploration access to E28/1898 Manhattan will recommence drill testing and evaluation of the Ponton uranium deposits and prospects that will underpin the future development of the Ponton ISL project.

The outlook for the uranium and nuclear power industries are positive. There are no signs of a slowdown in the industry or uranium primary fuel consumption with all the major nuclear powered states recently reaffirming their commitment to maintain and expand their nuclear capacity.

Early 2012 market activity has seen an increase in traded volumes and upward price trends for most listed uranium equities. Uranium supply shortfalls predicted as soon as 2013 will impact on market forces with the uranium price predicted to surge in the latter half of 2012. Uranium companies with advanced resource inventories (including Manhattan) and producers will be the target of investors and possible takeover and merger activity as this supply squeeze unfolds.

At 31 December 2011 there were 434 operating nuclear power plants in 31 countries, 240 research and medical isotope reactors and 140 nuclear powered submarines, aircraft carriers and icebreakers operating worldwide. These reactors are consuming 200Mlb of uranium oxide a year. Primary mine supply worldwide is around 130Mlb with the shortfall in supply being met by inventories (now at very low levels), secondary supply from MOX recycling and dilution of HEU weapons material (35Mlbs per annum).

With primary mine production flat for the foreseeable future, the cessation of HEU weapons material in 2013 and inventories virtually exhausted there is a serious shortfall in supply looming. There are 61 new reactors now under construction with another 156 at the advanced planning or approval stage. Uranium demand is predicted to be 320Mlbs a year in 10 years with a fuel supply shortfall looming of 85Mlbs by 2014 and as much as 165Mlbs a year by 2022.

Manhattan's Ponton uranium project, with an Inferred Resource of 17Mlb and Mineralisation Potential assessed of 33Mlb to 67Mlb, has the potential to be developed into a low cost sustainable ISL uranium producer. On gaining the necessary government approvals and licences the project can be drilled out and mine development studies undertaken, that if positive, will deliver significant returns for the Company's investors.

ALAN J EGGERS

Executive Chairman

30 January 2012

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

MANHATTAN CORPORATION LIMITED

ABN

61 123 156 089

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(249)	(790)
(b) development	-	-
(c) production	-	-
(d) administration	(279)	(680)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R&D Refund (Net of Costs)	441	441
Net Operating Cash Flows	(85)	(1,021)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	393
(c) other fixed assets	-	-
1.10 Loans from other entities	-	-
1.11 Loans repaid to other entities	-	-
1.12 Other – Security deposits	-	-
Net investing cash flows	-	393
1.13 Total operating and investing cash flows (carried forward)	(85)	(628)

+ See chapter 19 for defined terms.

Appendix 5B

Manhattan Corporation Limited December 2011 Quarterly Report

1.13	Total operating and investing cash flows (brought forward)	(85)	(628)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	400	400
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from funds held on trust	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – funds received from the Manhattan Merger	-	-
	Net financing cash flows	400	400
	Net increase (decrease) in cash held	315	(228)
1.20	Cash at beginning of quarter/year to date	152	695
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	467	467

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(323)
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions	

1.23 Includes the following payments:

- Payments to Director related companies for Executive Chairman's fees, rent and administration staff \$233,811
- Directors reimbursement of expenses incurred on behalf of the Company \$48,467
- Non Executive Directors fees \$35,000
- Payments to Director related entity for legal and advisory fees \$5,986

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan Aggregate amount	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration & Evaluation	200
4.2 Development	-
4.3 Production	-
4.4 Administration	240
Total	440

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10	54
5.2 Deposits at call	457	98
5.3 Bank overdraft	-	-
5.4 Other (money held on behalf of shareholders)	-	-
Total: cash at end of quarter (item 1.22)	467	152

Changes in interests in mining tenements (Full Tenement Schedule Attached)

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased	E39/1675	Tenement Application	100%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	93,080,398	93,080,398		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,000,000	2,000,000		
7.5 *Convertible debt securities <i>(description)</i>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	250,000 5,050,000 4,050,000 100,000 100,000	Nil Nil Nil Nil Nil	<u>Exercise Price</u> \$0.20 \$0.60 \$1.00 \$1.80 \$2.20	<u>Expiry Date</u> 21/01/2012 21/07/2014 21/07/2014 12/03/2015 12/03/2015
7.8 Issued during quarter				
7.9 Exercised during quarter	2,000,000	Nil	\$0.20	21/01/2012
7.10 Expired/Cancelled during quarter				
7.11 Debentures <i>(totals only)</i>	Nil			
7.12 Unsecured notes <i>(totals only)</i>	Nil			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



RS (Sam) Middlemas
Company Secretary

30 January 2012

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.

Appendix 5B
Manhattan Corporation Limited December 2011 Quarterly Report

TENEMENT SCHEDULE

As at 31 December 2011

WESTERN AUSTRALIA							
Tenement Number	Project	Registered Holder(s)	Manhattan's Interest	Date Granted	Expiry Date	Area	Notes
E39/1140	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	18 sub blocks	(1)
E39/1141	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	18 sub blocks	(1)
E39/1142	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	35 sub blocks	(1)
E39/1143	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	35 sub blocks	(1)
E39/1144	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	35 sub blocks	(1)
E28/1523	Ponton	MHC	100%	26 Nov 2008	25 Nov 2013	20 sub blocks	
E28/1898	Ponton	MHC	100%	11 Aug 2011	10 Aug 2016	64 sub blocks	
E28/1979	Ponton	MHC	100%	21 July 2010	20 July 2015	74 sub blocks	
E28/1983	Ponton	MHC	100%	17 Aug 2011	16 Aug 2016	48 sub blocks	
E28/2004	Ponton	MHC	100%	17 Aug 2011	16 Aug 2016	62 sub blocks	
E28/2047	Ponton	MHC	100%	3 Nov 2010	2 Nov 2015	11 sub blocks	
E28/2048	Ponton	MHC	100%	3 Nov 2010	2 Nov 2015	6 sub blocks	
E39/1541	Ponton	MHC	100%	App	App	76 sub blocks	(2)
E39/1542	Ponton	MHC	100%	05 Oct 2010	04 Oct 2015	59 sub blocks	
E39/1543	Ponton	MHC	100%	28 Apr 2011	27 Apr 2016	31 sub blocks	
E39/1544	Ponton	MHC	100%	28 Apr 2011	27 Apr 2016	11 sub blocks	
E39/1545	Ponton	MHC	100%	05 Oct 2010	04 Oct 2015	47 sub blocks	
E39/1593	Ponton	MHC	100%	19 May 2011	18 May 2016	71 sub blocks	
E39/1675	Ponton	MHC	100%	App	App	54 sub blocks	(3)
E80/1735	Gardner Range	MHC/NML	40%	15 Mar 1994	14 Mar 2012	12 sub blocks	(4)
E80/3275	Gardner Range	MHC/NML	40%	11 Nov 2005	10 Nov 2012	54 sub blocks	(4)
E80/3817	Gardner Range	MHC/NML	40%	23 Oct 2008	22 Oct 2013	70 sub blocks	(4)
E80/4081	Gardner Range	MHC/NML	40%	03 Mar 2009	02 Mar 2014	43 sub blocks	(4)

QUEENSLAND							
EPM17320	Annable North	MRPL	100%	App	App	16 sub blocks	(5)

Notes	
(1)	Application for extension lodged with DMP on 25 July 2011
(2)	Application lodged with DMP on 29 January 2010
(3)	Application lodged with DMP on 18 November 2011
(4)	Northern Minerals Limited has right to earn 80% interest by sole funding and completing mining prefeasibility study
(5)	Application lodged with DME on 1 February 2008 (Annable North)

Abbreviations			
E	Exploration Licence WA	DMP	Western Australian Department of Mines and Petroleum
EPM	Exploration Permit Minerals QLD	DME	Queensland Department of Mines and Energy
km ²	Square Kilometre	MHC	Manhattan Corporation Limited ABN 61 123 156 089
App	Application Lodged	MRPL	Manhattan Resources Pty Ltd ABN 81 127 373 871
		NML	Northern Minerals Limited ABN 61 119 966 353

Areas			
Western Australia		1 Sub block	2.97km²
Ponton Project	775 sub blocks	Total Area	2,302km ²
Gardner Project	179 sub blocks	Total Area	550km ²
Queensland		1 Sub block	3.20km²
Annable Project	16 sub blocks	Total Area	52km ²

+ See chapter 19 for defined terms.



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