



MANHATTAN

MANHATTAN CORPORATION LIMITED

QUARTERLY REPORT
PERIOD ENDED 30 SEPTEMBER 2009

**SEPTEMBER 2009 QUARTER
HIGHLIGHTS**

- *Stallion uranium target at Ponton defined in drill holes over 10km strike*
- *2,500 metres drilling at the Stallion uranium discovery to commence late 2009*
- *Stallion South uranium target at Ponton defined in drill holes over 6km strike*
- *Double 8 uranium deposit at Ponton has a JORC reported inferred resource of 10.9Mlb and an additional mineralisation potential of 6.6Mlb to 15.4Mlb uranium oxide over 9km strike*
- *\$4 million, 1,000 hole, resource definition drilling program announced for Double 8*
- *Northern Uranium agrees to fund \$1 million Farm In at Gardner Range in WA*
- *Company is well funded with over \$9.6 million in cash and listed investments in uranium companies*
- *A number of merger and acquisition opportunities within the sector identified*
- **SPOT MARKET URANIUM OXIDE NOW US\$47.50 POUND**





QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2009

SUMMARY

In May 2009, when Manhattan announced an 11Mlb maiden JORC Inferred Resource for Double 8 deposit at Ponton, the Company stated there remains substantial exploration upside yet to be drill tested at Double 8 and within the Ponton palaeochannel system in its 1,650km² Ponton project tenements in Western Australia.

During the September quarter Manhattan has further evaluated the extensive database, including PNC's 1980's drilling results, at Ponton. The assessment has resulted in two new advanced uranium drill targets in the palaeochannel being defined over 16km of strike at Stallion and Stallion South, immediately to the northwest of the 9km strike Double 8 deposit.

The Stallion and Stallion South targets are defined by wide spaced reconnaissance drilling on 4km centres by PNC in the early 1980's that intersected significant uranium mineralisation in drill holes on each drill traverse over 16km of strike with similar intersections and grades to the Double 8 drilling.

Drilling Stallion, over 10km in granted E28/1523, north of the Nature Reserve is now planned to commence in late 2009.

Manhattan has interests in the Western Australian Ponton and Gardner Range uranium projects and the Siccus project in the Frome Basin of South Australia.



In October 2009 an agreement was reached with Northern Uranium Limited for Northern to earn a 60% interest in Manhattan's Gardner Range project by expenditure of \$1.05 million. Areva NC's wholly owned subsidiary Afmeco Mining and Exploration Pty Ltd is the operator of project.

The Company has announced, on the grant of E28/1898, it plans a \$4 million, 60,000 metre, drilling program at Double 8. This 1,000 hole program is designed to expand the reported Inferred Resource and convert the reported Mineralised Potential at Double 8 to Inferred Resource status.

The Company is focused on advancing its key uranium project at Ponton, expanding and upgrading the confidence levels of the reported resource at Double 8, drilling the Stallion and Stallion South targets and presenting these results clearly to Australian and international investors. In addition, by utilising the extensive database Manhattan has developed, corporate opportunities already identified to acquire quality uranium resources and grow the company will also be undertaken to generate shareholder wealth.

Manhattan had, on 23 October 2009, \$2.3 million in cash and investments in four ASX listed uranium companies valued at \$7.3 million.



SEPTEMBER QUARTER 2009

REVIEW OF OPERATIONS

1. PONTON PROJECT (WA)

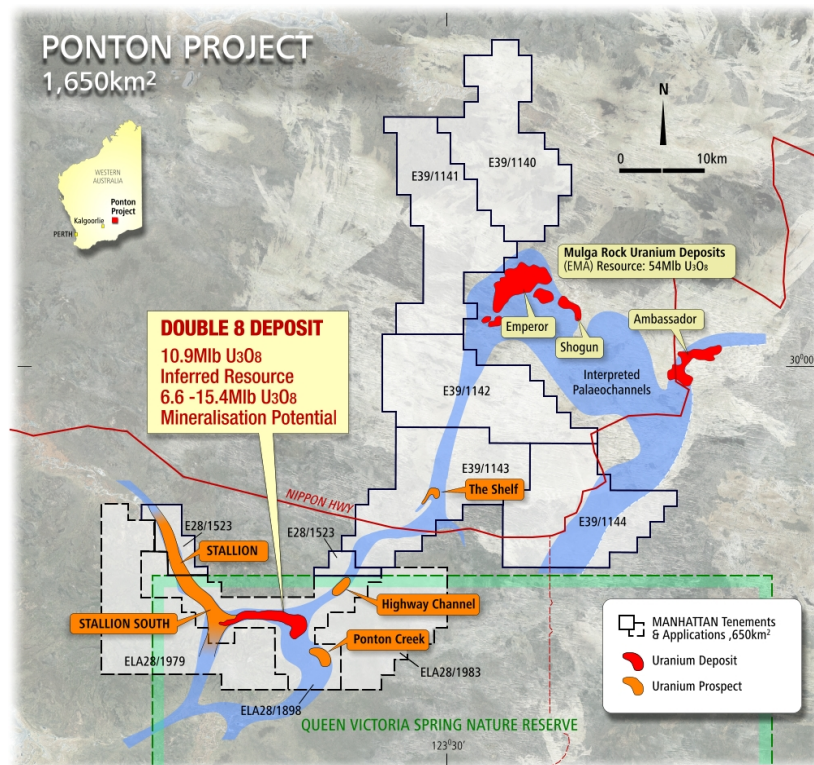
Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

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 1,650km² of applications and granted exploration tenements underlain by Tertiary palaeochannels within the Gunbarrel Basin that are known to host a number of uranium deposits and drilled uranium anomalies.

The project includes the 11Mlb Double 8 uranium deposit and advanced drill targets at Stallion and Stallion South. Sandstone hosted uranium mineralisation has now been defined in drill holes over 25 kilometres of the palaeochannel at Stallion, Stallion South and Double 8.

Further drilled uranium anomalies have been defined at Ponton Creek, Highway Channel and Shelf within Manhattan's tenements. These palaeochannels connect with the lignite hosted Mulga Rock uranium deposits where Energy and Minerals Australia has recently released an initial inferred resource estimate of 24,520 tonnes (54Mlb) U₃O₈ (see Figure 1).

Figure 1: Ponton Project (WA)



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 Queen Victoria Spring Nature Reserve.

Manhattan has reported a maiden Inferred Resource Estimate for the Double 8 uranium deposit at Ponton of 16Mt at 310ppm uranium oxide (U₃O₈) containing 10.9Mlb U₃O₈ at a 200ppm cutoff. In addition, the Exploration Results reported identified further Mineralisation Potential at Double 8 of between 6.6 and 15.4Mlb of U₃O₈ at the 200ppm cutoff.



2. DOUBLE 8 URANIUM DEPOSIT (WA) (continued)

The Double 8 uranium deposit of 10.9Mlb U_3O_8 is a significant resource and already places the deposit as the twenty second largest reported uranium resource in Australia and the ninth largest in Western Australia.

The mineralisation is currently drilled over 9km of strike, at widths of approximately 500m on average with down hole thicknesses of 3 to 25 meters. At a depth of 30 to 70 metres, the deposit is a shallow, sand hosted tabular deposit and should be amenable to in situ leach recovery ("ISL"), the lowest environmental impact uranium mining method.

The reported resource and mineralisation potential, based on PNC's drilling in the 1980's are summarised in the tables below:

DOUBLE 8 INFERRED RESOURCE ESTIMATES				
CUTOFF GRADE eU_3O_8 (ppm)	TONNES (MILLION)	GRADE eU_3O_8 (ppm)	TONNES U_3O_8 (t)	POUNDS (MILLION) U_3O_8 (Mlb)
100	59	180	10,620	23.4
150	28	250	7,000	15.4
200	16	310	4,960	10.9
250	9	370	3,330	7.3
300	6	410	2,460	5.4
350	4	450	1,800	4.0
400	3	490	1,470	3.2

DOUBLE 8 ADDITIONAL MINERALISED POTENTIAL				
CUTOFF GRADE eU_3O_8 (ppm)	TONNAGE RANGE (MILLION)	GRADE RANGE eU_3O_8 (ppm)	TONNAGE RANGE U_3O_8 (t)	POUNDS RANGE (MILLION) U_3O_8 (Mlb)
100	40 - 80	100 - 200	4,000 - 16,000	8.8 - 35.3
150	20 - 40	200 - 250	4,000 - 10,000	8.8 - 22.0
200	10 - 20	300 - 350	3,000 - 7,000	6.6 - 15.4
250	5 - 10	350 - 400	1,750 - 4,000	3.9 - 8.8
300	3 - 5	400 - 450	1,200 - 2,250	2.6 - 5.0
350	2 - 3	450 - 550	900 - 1,650	2.0 - 3.6
400	1 - 2	550 - 600	550 - 1,200	1.2 - 2.6

The fact that the uranium mineralisation at Double 8 remains open and is yet to be closed off by drilling along with the additional Mineralisation Potential reported of between 10 and 20 million tonnes with a grade range between 300 to 350ppm eU_3O_8 indicates that there is considerable exploration upside for the Double 8 deposit.

The Company considers that with further exploration, drilling and sampling at Double 8, and along the Ponton palaeochannel, the resource estimates will expand and the confidence levels of these estimates will improve and report to higher categories under the JORC (2004) Code.

The Company's priority is now to advance its key uranium project at Double 8. On the grant of E28/1898, the Company will recommence drilling at Double 8 with a \$4 million, 60,000 metre, drilling program. This 1,000 hole program is designed to expand the reported Inferred Resource and convert the reported Mineralised Potential to Inferred Resource status.

3. STALLION TARGET (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

The Stallion target is in the Ponton Tertiary palaeochannel system to the northwest of the Double 8 deposit in granted tenement E28/1523, north of the Nature Reserve. Here, wide spaced reconnaissance drilling on 4km centres by PNC in the early 1980's intersected significant uranium mineralisation in drill holes on each drill traverse over 10km of strike with similar intersections and grades to the Double 8 drilling.

A drill program has been designed, and the approvals and clearances are now being finalised, to commence drilling the Stallion target in late 2009.



4. STALLION SOUTH (WA)

Interest: Manhattan 100%
Operator: Manhattan Corporation Limited

Immediately to the south of Stallion along the Ponton palaeochannel, in application E28/1898 in the Nature Reserve, wide spaced reconnaissance drilling on 4km centres by PNC also intersected significant uranium mineralisation, with similar grades to the Double 8 drilling, in drill holes on each drill traverse over a further 6km of strike extending down to the Double 8 deposit.

On regaining exploration access to the area the Stallion South target will be drill tested along with the resource definition drilling at Double 8.

5. GARDNER RANGE PROJECT (WA)

Interest: Manhattan 100%
Operator: Afmeco Mining and Exploration Pty Ltd

On 16 October 2009 Manhattan announced a Farm In and Joint Venture Agreement with Northern Uranium Limited to earn a 60% interest in Manhattan's Gardner Range project by expenditure of \$1.05 million.

The Agreement, on Northern acquiring its 60% interest, provides for the parties to then enter into a Joint Venture to further explore, develop and mine any mineral deposits defined within the project area.

French nuclear group, Areva NC, via Areva's wholly owned Australian subsidiary Afmeco Mining and Exploration Pty Ltd in a strategic alliance with Northern, is the operator of project.

The key terms of the Agreement are as follows:

- Northern has the right to earn a 60% interest in the project by spending A\$1.05m within four years
- Northern has a minimum expenditure commitment of A\$262,500 before they can withdraw
- On Northern acquiring its 60% Farm In interest Northern and Manhattan will enter into a Joint Venture with Manhattan holding a 40% interest
- On commencement of the Joint Venture Manhattan has the option to contribute to expenditures in accordance with its then interest or be free carried to completion of a Pre Feasibility Study to develop a mine and retain a 20% interest
- On completion of the Pre Feasibility Study Manhattan has the option to contribute to expenditures in accordance with its then interest or be free carried to completion of a Definitive Feasibility Study to develop a mine and retain a 10% interest

The Gardner Range project, located in the Tanami region of WA approximately 150km southeast of Halls Creek, consists of four granted exploration licences covering 550km². Historic drilling at the Don uranium prospect, within the project area, intersected 0.44m of 1.5% U₃O₈ and 1.7g/t gold at a depth of 40m.

Recent airborne geophysical surveys have identified significant uranium channel anomalies (including at the Don) that are coincident with zones of clay alteration often associated with mineralising events. In addition, a VTEM survey located a conductive unit directly below the Don prospect, further supporting the unconformity model for the uranium mineralisation in the area and delineating a number of drill targets.

6. SICCUS PROJECT (SA)

Interest: Manhattan 90%
Operator: Manhattan Corporation Limited

The Siccus project covers part of the Tertiary palaeochannel system in the Frome Basin of SA. Manhattan's exploration licence covers an area of 672km² of this highly prospective uranium province. The target at Siccus is sandstone hosted uranium mineralisation, similar to the nearby deposits at Beverley, Four Mile and Honeymoon.

Drilling by the Company in 2008 intersected the sediments that host the Frome Basin uranium mines and deposits. Historic radiometric anomalies of 14 times background were recorded in the Namba clays. Planned follow up drilling will test for uranium mineralisation within the prospective sediments of the Siccus palaeochannel.



SUMMARY AND ACQUISITIONS

Manhattan is now a company with a substantial uranium resource and new advanced drill targets identified at Ponton in WA, 100% ownership of its flagship uranium project, is well funded and is rapidly gaining a market presence and the confidence of shareholders, investors and fund managers.

The Company's priority is now to drill the new Stallion discovery and, on the grant of E28/1898, commence resource definition drilling at Double 8 and at the Stallion South discovery.

Acquisition of further quality advanced uranium resources, that are likely to result in near term mine development opportunities to grow the company, are being evaluated both within Australia and overseas. These acquisitions may be by either acquiring direct equity in the project or by takeover and or merger of the corporate entity holding the asset.

ALAN J EGGERS
Executive Chairman
26 October 2009

COMPETENT PERSON'S STATEMENT

The information in this report that relates to reported Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Alan J Eggers who is a Corporate Member of the Australasian Institute of Mining and Metallurgy and is an executive director of the Company. Alan J Eggers is a professional geologist and has sufficient experience that is relevant to the style of mineralisation and type of deposits 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 Eggers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

For further information, please contact Mr Alan J Eggers at:

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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")

30 September 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(260)	(260)
(b) development	-	-
(c) production	-	-
(d) administration	(354)	(354)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	15	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Direct costs of Manhattan Merger	(86)	(86)
Net Operating Cash Flows	(685)	(685)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments	(158)	(158)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	221	221
(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	63	63
1.13 Total operating and investing cash flows (carried forward)	(622)	(622)

Appendix 5B
Manhattan Corporation Limited September Quarterly Report

1.13	Total operating and investing cash flows (brought forward)	(622)	(622)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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	1,670	1,670
	Net financing cash flows	1,670	1,670
	Net increase (decrease) in cash held	1,048	1,048
1.20	Cash at beginning of quarter/year to date	982	982
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,030	2,030

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	(151)
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	

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

On 21 July 2009, the Company completed the merger with Manhattan Resources Pty Ltd following shareholder approval, which resulted in the issue of 44,201,640 new shares. As a consequence of this transaction, Manhattan acquired net assets with a value of \$7.4 million which included \$1.67 million of cash and \$6.82 million of ASX listed securities.

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

-

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	-	-
3.2	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration & Evaluation	500
4.2 Development	-
Total	500

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	66	6
5.2 Deposits at call	1,964	976
5.3 Bank overdraft	-	-
5.4 Other (money held on behalf of shareholders)	-	-
Total: cash at end of quarter (item 1.22)	2,030	982

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		Nil		
6.2 Interests in mining tenements acquired or increased	E28/1979	Tenement Application	0%	100%
	E28/1983	Tenement Application	0%	100%

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	83,481,019	78,461,019		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	44,201,640	44,201,640		
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>			Exercise Price	Expiry Date
	5,000,000	Nil	\$0.20	30/06/2010
	3,849,379	Nil	\$0.20	21/01/2012
	1,000,000	Nil	\$0.20	23/06/2013
	5,550,000	Nil	\$0.60	21/07/2014
	5,550,000	Nil	\$1.00	21/07/2014
7.8 Issued during quarter	5,550,000	Nil	\$0.60	21/07/2014
	5,550,000	Nil	\$1.00	21/07/2014
7.9 Exercised during quarter				
7.10 Expired/Cancelled during quarter	1,000,000	Nil	\$0.30	23/06/2013
	1,000,000	Nil	\$0.40	23/06/2013
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ 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

26 October 2009

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.

Appendix 5B
Manhattan Corporation Limited September Quarterly Report

MANHATTAN CORPORATION LIMITED
TENEMENT SCHEDULE

As at 30 September 2009

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	70 sub blocks	
E39/1141	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	70 sub blocks	
E39/1142	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	70 sub blocks	
E39/1143	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	70 sub blocks	
E39/1144	Ponton	MHC	100%	24 Aug 2006	23 Aug 2011	70 sub blocks	
E28/1523	Ponton	PDN	100%	26 Nov 2008	25 Nov 2013	20 sub blocks	(1)
E28/1898	Ponton	MHC	100%	App	App	64 sub blocks	(2)
E28/1979	Ponton	MHC	100%	App	App	74 sub blocks	(3)
E28/1983	Ponton	MHC	100%	App	App	48 sub blocks	(4)
E80/1735	Gardner Range	MHC	100%	15 Mar 1994	14 Mar 2010	12 sub blocks	
E80/3275	Gardner Range	MHC	100%	11 Nov 2005	10 Nov 2010	54 sub blocks	(5)
E80/3817	Gardner Range	DYL	100%	23 Oct 2008	22 Oct 2013	70 sub blocks	(6)
E80/4081	Gardner Range	DYL	100%	03 Mar 2009	02 Mar 2014	43 sub blocks	
SOUTH AUSTRALIA							
EL3288	Siccus	MHC/SRPL	90%	02 Feb 2004	01 Dec 2009	675km ²	
QUEENSLAND							
EPM17319	Annable South	MRPL	100%	App	App	4 sub blocks	(7)
EPM17320	Annable North	MRPL	100%	App	App	16 sub blocks	(7)

Notes	
(1)	Tenement acquired from Paladin Energy Ltd (PDN). To be transferred to MHC 26 November 2009
(2)	Application lodged with DMP on 6 October 2008
(3)	Application lodged with DMP on 31 August 2009
(4)	Application lodged with DMP on 30 September 2009
(5)	Tenement acquired from Deep Yellow Ltd (DYL). To be transferred to MHC 23 October 2009
(6)	Tenement acquired from Deep Yellow Ltd (DYL). To be transferred to MHC 18 January 2010
(7)	Applications lodged with DME on 1 February 2008 (Annable North & South).

Abbreviations			
E	Exploration Licence WA	DMP	Western Australian Department of Mines and Petroleum
EL	Exploration Permit SA	PIRSA	South Australian Department of Primary Industry and Resources
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
		SRPL	Signature Resources Pty Ltd ABN 20 077 307 012

Areas			
Western Australia		1 Sub block	2.97km²
Ponton Project	556 sub blocks	Total Area	1,650km ²
Gardner Project	179 sub blocks	Total Area	550km ²
South Australia			
Siccus Project		Total Area	675km ²
Queensland		1 Sub block	3.20km²
Annable Project	20 sub blocks	Total Area	65km ²

+ See chapter 19 for defined terms.