

MANHATTAN RESOURCES LIMITED

(Incorporated in Singapore)

(Co. Reg. No: 199006289K)

(*Company*)

MINUTES OF EXTRAORDINARY GENERAL MEETING

MINUTES OF EXTRAORDINARY GENERAL MEETING (*EGM*) OF THE COMPANY HELD VIA WEBCAST ON MONDAY, 11 MAY 2020 AT 3.25 P.M.

PRESENT: Please refer to attendance sheet.

1. WELCOME ADDRESS

Mr Paul Tung thanked the shareholders present for staying on following the annual general meeting (*AGM*) of the Company held earlier today. He informed the Meeting that he had been requested by the Directors to chair this meeting.

The directors, officer and the Company Secretary present at the AGM physically and via video conference were at the Meeting.

2. QUORUM AND PROCEEDINGS OF MEETING

After confirming with the Company Secretary that a quorum was present, Mr Tung called the Meeting to order at 3.25 p.m. and proceeded with the formal business of the Meeting.

Mr Tung informed the Meeting that the proceeding of the meeting would be conducted via online platform in view of the COVID-19 situation. All votes on the resolutions would be by proxy and only the Chairman of the meeting may be appointed as a proxy. There would be no voting conducted in the meeting.

3. NOTICE OF EGM

With permission from members participating in the meeting, the Notice of the EGM dated 17 April 2020 (*Notice*) convening the Meeting was taken as read.

4. VOTING

Mr Tung informed the Meeting that as Chairman of the Meeting, he had been appointed as proxy by some members to vote on their behalf and he had voted in accordance with their instructions.

The polling agent had counted the proxy votes received as at the cut-off date on 9 May 2020 at 3.30 p.m. and the scrutineers, ZICO Insights Law LLC, had verified the results of the proxy voting.

The results would be announced after the conclusion of the EGM.

5. BACKGROUND

Mr Tung informed the Meeting that the EGM had been called to seek shareholders' approval on the proposed conversion of participating debts into new shares of the Company to Kaiyi Investment Pte. Ltd. (*Kaiyi*) and Energy Resource Investment Pte. Ltd. (*ERI*), and the material dilution of the Company's shareholding interest in its 51% held subsidiary, Manhattan Property Development Pte. Ltd. (*MPDPL*), as set out in the Circular dated 17 April 2020.

It was noted that an amount of US\$12,212,855 of the purchase consideration owed by SLM Holding Pte. Ltd., a wholly owned subsidiary of the Company, to ERI was outstanding and unpaid.

It was further noted that the Company and Kaiyi had entered into a loan agreement and the total loan amounted extended from Kaiyi to the Company was US\$15 million.

The Company intended to convert the aggregate amount of (i) US\$12,212,855 (equivalent to approximately S\$16,600,934) owing by the Group to ERI and (ii) US\$15 million (equivalent to approximately S\$20,389,500) owing by the Group to Kaiyi to ordinary shares of the Company at a conversion price of S\$0.02 per share.

The Proposed Debt Conversion would be in the interest of the Group as it would ease the Group's cash flow as the obligation to repay the debts via cash will be settled via the issuance of conversion shares, so that the Group's cash can be used for other purposes. This would strengthen the Group's balance sheet and improve its debt-equity position.

Details of the Proposed Debt Conversion were set out in pages 6 to 14 of the circular.

Another agenda of the Meeting was to approve the proposed material dilution of Company's shareholding interest in its 51% held subsidiary, MPDPL.

It was projected that Manhattan Resources (Ningbo) Property Limited (**MRN**) would require an aggregate of approximately S\$73.6 million for the construction of the Ningbo Project in 2019 and 2020 until the commencement of the pre-sales of the Ningbo Project. The Company would use S\$10 million of the proceeds from its rights issue to capitalise MRN on a proportionate basis with Kaiyi based on their respective equity interests in MPDPL. In the event that MRN requires further capitalisation for the development of the Ningbo Project and the Company is unable to or does not contribute capital on a proportionate basis with Kaiyi, its shareholding interest in MPDPL might be diluted below 50%, and consequently, MPDPL and MRN would cease to be subsidiaries of the Group and become associated companies of the Group.

Details of the rationale of the Proposed Material Dilution were explained in page 22 of the circular. The Proposed Material Dilution would allow the Group to recalibrate its risk exposure in the property development segment considering the Group's financial position.

6. ABSENTION FROM VOTING

Mr Tung informed the Meeting that Dato Dr' Low Tuck Kwong, Mr Low Yi Ngo, Ms Elaine Low and each of their associates were to abstain from voting at the EGM on ordinary resolutions 1, 2 and 3 relating to the Proposed Debt Conversion as well as on ordinary resolution 4 relating to the Proposed Material Dilution.

7. QUESTIONS AND ANSWERS

The Company has not received any questions from shareholders.

8. ORDINARY RESOLUTION 1 – THE PROPOSED DEBT CONVERSION

Mr Tung informed the Meeting that all resolutions would be put to the meeting and there was no need to propose or second each resolution.

The first item on the agenda was to seek shareholders' approval for the proposed debt conversion and Mr Tung moved the following motion:

“That the Proposed Debt Conversion be approved.”

9. ORDINARY RESOLUTION 2 – ISSUE OF UP TO 1,019,475,000 NEW SHARES AND THE TRANSFER OF A CONTROLLING INTEREST TO KAIYI INVESTMENT PTE. LTD.

The next item on the agenda was to approve the issuance of up to 1,019,475,000 new shares and the transfer of a controlling interest to Kaiyi Investment Pte. Ltd.

Mr Tung moved the following motion:

“That for the issuance of up to 1,019,475,000 new shares and the transfer of a controlling interest to Kaiyi Investment Pte. Ltd. be approved.”

10. ORDINARY RESOLUTION 3 – ISSUE OF UP TO 830,046,700 NEW SHARES AND THE TRANSFER OF A CONTROLLING INTEREST TO ENERGY RESOURCE INVESTMENT PTE. LTD.

The next agenda was to approve the issuance of up to 830,046,700 new shares and the transfer of a controlling interest to Energy Resource Investment Pte. Ltd.

Mr Tung moved the following motion:

“That for the issuance of up to 830,046,700 new shares and the transfer of a controlling interest to Energy Resources Investment Pte. Ltd. be approved.”

11. ORDINARY RESOLUTION 4 – THE PROPOSED MATERIAL DILUTION

The last agenda was to approve the proposed material dilution of the Company’s shareholding interest in MRN, details of which were set out in pages 18 to 23 of the circular.

Mr Tung moved the following motion:

“That for the proposed material dilution be approved.”

12. RESULTS OF POLL

A representative from ZICO Insights Law LLC announced the poll results as follows:

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	%	Number of Shares	%
<u>Ordinary Resolution 1</u> Approval of the Proposed Debt Conversion	111,784,700	109,607,700	98.05	2,177,000	1.95
<u>Ordinary Resolution 2</u> Approval of the issue of Shares and transfer of a controlling interest to Kaiyi Investment Pte. Ltd.	111,784,700	109,607,700	98.05	2,177,000	1.95

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	%	Number of Shares	%
<p><u>Ordinary Resolution 3</u></p> <p>Approval of the issue of Shares and transfer of a controlling interest to Energy Resource Investment Pte. Ltd.</p>	111,784,700	109,607,700	98.05	2,177,000	1.95
<p><u>Ordinary Resolution 4</u></p> <p>Approval of the Proposed Material Dilution</p>	111,784,700	109,607,700	98.05	2,177,000	1.95

Mr Tung declared the Ordinary Resolutions 1 to 4 carried.

16. CLOSING COMMENTS

Mr Tung declared the Meeting closed at 3.35 p.m. and thanked all for participating.

Confirmed

Tung Zhihong, Paul
 Chairman of the Meeting