31 July 2015

JUNE 2015 QUARTERLY OPERATIONS REPORT

Manas Resources Limited (ASX-MSR) reports its activities for the June 2015 Quarter on the Company’s 100%-owned gold projects in the Kyrgyz Republic, Central Asia.

SUMMARY

Shambesai Gold Project, Kyrgyz Republic, Central Asia

- Successful completion of the OVOS (EIA) Public hearing process
- Renewal of all exploration licence areas
- Approval of an application for the prospective Tashbulak licence area adjacent to the Shambesai Deposit
- Successful completion of the safety audit for the Process Plant Basic Engineering
- Work on the Basic Engineering Design for mine infrastructure and open pits is nearing completion with subsequent environmental and safety audits for the design expected in the September 2015 Quarter
- Successful completion of the site Flora and Fauna survey by local experts

CORPORATE

- A non-renounceable rights offer to raise up to $4.17 million is currently in progress.
- Discussions are continuing for the financing and / or sale of Manas’s Kyrgyz assets

Shambesai Gold Project, Kyrgyz Republic (MSR 100%)

Permitting

The in-country team made significant progress in advancing the permitting for the project during the June Quarter. Two major public meetings were successfully held, together with a number of smaller focus groups, to fulfill the requirements of the OVOS (Kyrgyz environmental impact assessment ) approvals process.

In late-April 2015 the Company conducted a consultation session on Shambesai project with representatives of territorial divisions of state bodies and technical specialists in Kadamjai area (Kadamjai is the regional administrative area which includes the Shambesai project) as a lead in to the OVOS Public hearing.
On 19 June 2015 a public consultation on the development of the Shambesai Project was held in Kadamjai as part of the OVOS approval process. The consultation session was attended by villagers from Maidan district which included representatives of the Maidan Ayil Kenesh (Council) and Ayil Okmot (Administration), representatives of Kadamjai state administration, local authorities and neighbouring Maidan Ayil Okmoty residents in the presence of a lead specialist from the State Agency for Environmental Protection and Forestry (SAEPF) which is the controlling agency for the OVOS approvals process.

As a result of the public consultation the Company committed to continue to build dialogue with local stakeholders, to work actively to inform local population about the Project work and regularly disseminate environmental results. The in-country team is currently preparing a submission on the OVOS Public Consultation Process which will close out the OVOS approvals process.

The team continues to hold focus group meetings with local community groups around the mine site as part of the community consultation process required in the OVOS approval conditions.

The Company continues to advance the technical permitting process for the project with completion of the environmental and industrial safety reviews for the Process Plant. Work on the final sections of the design documentation for the Mine and associated infrastructure is nearly completed with submission of the design
documentation for review expected in late July. It is expected that all the final reviews will be completed by
the end of the September Quarter which is the deadline in the Shambesai Mining License conditions.

A site Flora & Fauna survey was conducted by local experts during the period confirming:

- Plants with special protection under relevant regulations are located out of the Project’s direct area of
  impact; and
- Two prescribed bird species with active nests within the licence area are located out of the Project’s
direct area of impact.

The Flora and Fauna survey report is currently being finalised with submission and review expected during the
September Quarter.

**Community Relations**

During the Quarter, the Company held 10 Project information sessions with 50 local residents from Maidan,
Kara-Jygach, Pum, Karool, Kara-Kyshtak and Markaz villages, as part of the on-going effort to build dialogue
with the community and to prepare for the OVOS public hearing which was successfully held in June.

The Company is advancing planning for a number of community projects including organisation of an education
seminar on construction of greenhouses for local community members which was well received.

**Exploration License Renewal**

During the last two Quarters the Company has been conducting a critical review of its exploration license areas
in an effort to minimise the cost impacts of exploration and license fee conditions. This resulted in a decision
to reduce the size of some license areas and to change the status of others. The Company also took the
opportunity to complete an early renewal of some licences that were scheduled for renewal at the end of
2015.

During the review, it was identified that the area immediately to the West of the Shambesai deposit between
the Company’s existing Isfairamsai and Aksu license areas was available and a decision was taken to apply for
this block at the same time as the renewal applications were made.

License renewal applications were subsequently submitted to the State Geology Agency Licence Committee
and were reviewed and approved in late June and early July including approval of the new Tashbulak license
area.
Further information in relation to license areas is provided at the end of this report.

**Corporate**

*Rights Offer*

The Company is undertaking a 1 for 1 rights offer at 0.7 cent per share to raise up to $4.17 million. The rights offer is partially underwritten up to the value of $2.1 million by GMP Securities Australia Pty Limited. The rights offer is under the terms of a prospectus dated 10 July 2015 and a supplementary prospectus dated 23 July 2015 and closes on 5 August 2015.

*Project Financing and Asset Sale*

The Company continues to work with its dual strategy in relation to its Kyrgyz mineral assets (comprised primarily of the Shambesai Gold Project), being to effect an outright or partial disposal of the Kyrgyz mineral assets or procure project finance for the development of the Shambesai Gold Project, whichever can be completed on a timely basis with the best possible outcome for shareholders. Discussions have been continuing through the Quarter.

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**Manas Resources Limited - Company Overview**

Manas Resources Limited is an Australian-based company with a Mineral Resource base of 1,184,000 ounces of gold at its 100% owned projects on the Tien Shan gold belt in the south west of the Kyrgyz Republic. The Company has completed a Bankable Feasibility Study, and a mining and development licence has been issued for the flagship technically low-risk and high-margin Shambesai Gold Project.
## Summary of Mineral Resource and Reserve Estimates

Reported according to JORC Category and Deposit

<table>
<thead>
<tr>
<th>Resource Category incl.</th>
<th>Shambesai</th>
<th>Obdilla</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tonnes</td>
<td>Mt</td>
<td>Grade</td>
</tr>
<tr>
<td>Measured</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8.1</td>
<td>2.7</td>
<td>697,000</td>
</tr>
<tr>
<td>Indicated</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.4</td>
<td>2.7</td>
<td>556,000</td>
</tr>
<tr>
<td>Inferred</td>
<td>0.5</td>
<td>1.9</td>
<td>29,000</td>
</tr>
<tr>
<td>Total Resource</td>
<td>8.1</td>
<td>2.7</td>
<td>697,000</td>
</tr>
<tr>
<td>Proved</td>
<td>0.8</td>
<td>3.3</td>
<td>85,000</td>
</tr>
<tr>
<td>Probable</td>
<td>1.6</td>
<td>3.9</td>
<td>194,000</td>
</tr>
<tr>
<td>Total Reserve</td>
<td>2.4</td>
<td>3.7</td>
<td>279,000</td>
</tr>
</tbody>
</table>

Note: The Shambesai Mineral Resource was estimated within constraining wireframe solids based on a nominal lower cut-off grade of 0.2 g/t Au. The Mineral Resource is quoted from all blocks above a cut-off grade of 0.3 g/t Au for Oxide Resources and 0.75 g/t Au for Sulphide Resources. Low grade refers to blocks above cut-off and below 2.0 g/t Au, while High Grade refers to blocks above 2.0 g/t Au. Quoted Mineral Resources are inclusive of Proved and Probable Reserves at Shambesai. Differences may occur due to rounding.

The Shambesai Gold Project Mineral Resource was updated to comply with the JORC Code 2012 Edition reporting framework and the Company reported results on 5 December 2014. There was no change to the resource classification, quantities or grade since the Mineral Resource release in March 2013. The information in this release that relates to the Shambesai Gold Project Mineral Resource was first reported by the Company in compliance with JORC 2012 in a market release dated 5 December 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcement dated 5 December 2014 and that all material assumptions and technical parameters underpinning the resource estimate continue to apply and have not materially changed.

The information in this release that relates to the Shambesai Gold Project Ore Reserves was first reported by the Company in compliance with JORC 2012 in a market release dated 25 February 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcement dated 25 February 2015 and that all material assumptions and technical parameters underpinning the ore reserves estimate continue to apply and have not materially changed.

The Mineral Resources information reported above in relation to the Obdilla Project was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Statements regarding Manas Resources' plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Manas Resources' plans for development and or sale of its mineral properties will proceed as currently expected. There can also be no assurance that Manas Resources' will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Manas Resources' mineral properties.
Mineral Interests of the Manas Group at 30 June 2015

<table>
<thead>
<tr>
<th>Licence</th>
<th>Licence Number</th>
<th>Registered Holder</th>
<th>Legal and Beneficial Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tolubay</td>
<td>AR 2533 (Au-171-02)</td>
<td>CJSC Z-Explorer</td>
<td>100%</td>
</tr>
<tr>
<td>Isfairamsai</td>
<td>AP 235</td>
<td>CJSC Z-Explorer</td>
<td>100%</td>
</tr>
<tr>
<td>Djilginsai</td>
<td>AP 236</td>
<td>CJSC Z-Explorer</td>
<td>100%</td>
</tr>
<tr>
<td>Aksui</td>
<td>460 AP</td>
<td>CJSC Landmark</td>
<td>100%</td>
</tr>
<tr>
<td>Tashbulak</td>
<td>4188 AP</td>
<td>CJSC Landmark</td>
<td>100%</td>
</tr>
<tr>
<td>Savoyardy (Prospecting)</td>
<td>3718 AP (Au-87-04)</td>
<td>CJSC Savoyardy</td>
<td>100%</td>
</tr>
<tr>
<td>Savoyardy (Exploration)</td>
<td>3719 AR (Au-87-04)</td>
<td>CJSC Savoyardy</td>
<td>100%</td>
</tr>
<tr>
<td>Shambesai Mining Permit</td>
<td>3164 AE</td>
<td>CJSC Z-Explorer</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Location** – All mineral interests are held in the Kyrgyz Republic, Central Asia, primarily in the south of the country.

The registered holders are all wholly owned subsidiaries of Manas Resources Limited.

None of the mineral interests listed above are the subject of any farm-in / farm-out or joint venture arrangements. There have been no changes to mineral interests during the June 2015 quarter, other than the grant of the Tashbulak licence.