

01 June 2018



**POLO RESOURCES LIMITED**

(“Polo” or the “Company”)

**HIBISCUS PETROLEUM – INVESTMENT UPDATE**

**North Sabah Acquisition Lifts Hibiscus Petroleum’s Nine Months Profit After Tax to RM105M  
(USD26.38M)**

Polo Resources Limited (AIM: POL), the multi-sector investment company with interests in oil, gold, coal, copper, phosphate, lithium, iron and vanadium, notes that its investee company, Hibiscus Petroleum Berhad (“Hibiscus”) has announced its results for the third financial quarter ended 31 March 2018. During the period, Hibiscus announced that its indirect wholly owned subsidiary SEA Hibiscus Sdn (“SEA Hibiscus”) had completed its acquisition of a 50% participating interest in the 2011 North Sabah Enhanced Oil Recovery Production Sharing Contract (the “PSC”) and the joint operating agreement in relation to the PSC. The transfer of operatorship from Shell to SEA Hibiscus concluded on 31 March 2018 and SEA Hibiscus thereby assumed the role of operator of the North Sabah PSC. As operator, SEA Hibiscus will be responsible for the day-to-day operations and management of the work activities of the assets within the North Sabah PSC. The acquisition represents a significant milestone and introduces a second cash generating business segment to the company. Hibiscus now has two assets in different geographies, North Sabah offshore Malaysia and the Anasuria Cluster offshore Scotland in the North Sea, each delivering positive cashflow against a backdrop of strengthening oil prices. The company is now focusing on operating safely and efficiently.

Hibiscus reports a profit after tax (“PAT”) for the nine-month period ended 31 March 2018 (“9M FY2018”) of RM105 million (USD26.38), up 8% from RM97.4 million (USD24.5M) achieved in the corresponding period ended 31 March 2017 (“9M FY2017”). Hibiscus also reported earnings before interest, taxes, depreciation and amortisation (“EBITDA”) of RM156.9 million (USD39.42) for 9M FY2018, an increase of 46% compared to RM107.5 million (USD27.01M) in 9M FY2017.

The growth in PAT and EBITDA was driven by the fair value gain upon completion of the acquisition of the 2011 North Sabah Enhanced Oil Recovery Production Sharing Contract on 31 March 2018, as well as earnings from crude oil production from its North Sea offshore oilfields.

The full details of these announcements can be found at [www.hibiscuspetroleum.com](http://www.hibiscuspetroleum.com).

*This announcement contains inside information as defined in Article 7 of the EU Market Abuse Regulation No 596/2014 and has been announced in accordance with the Company's obligations under Article 17 of that Regulation.*

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### **About the Company**

Polo Resources Limited is a multi-sector investment company focused on investing in undervalued companies and projects with strong fundamentals and attractive growth prospects. For complete details on Polo, please refer to: [www.poloresources.com](http://www.poloresources.com).