

02 February 2018



POLO RESOURCES LIMITED

(“Polo” or the “Company”)

WEATHERLY INTERNATIONAL PLC – INVESTMENT UPDATE

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, Weatherly International Plc (“Weatherly”) (AIM: WTI) has announced that the shareholders of ASX-listed Intrepid Mines Limited (“Intrepid”) have voted in favour of the transaction whereby Weatherly will acquire the Kitumba Project in Zambia. Weatherly also announced the outline of its Project Development Plan for Kitumba focussed initially on a high-grade and high-confidence Phase 1 development zone within the resource.

Kitumba purchase update

As announced on 12 December 2017, one of the conditions precedent for Weatherly's acquisition of the Kitumba Project was Intrepid shareholder approval. That approval was obtained at an Intrepid EGM held earlier today. Remaining conditions precedent include Zambian regulatory approval by the Zambian Ministry of Mines and Minerals Development and by the Zambian Competition and Consumer Protection Commission.

Kitumba project development plan outline

The published JORC-compliant Measured and Indicated (M&I) Mineral Resource at Kitumba, with an effective date of 29 July 2015, contains 24.9Mt at 2.32% Cu using a cut-off grade of 1% Cu. The Mineral Resource contains a combination of copper oxide minerals, supergene enriched sulphide minerals and primary sulphide minerals.

Previous development plans for Kitumba were based on large scale and high capital cost development of the entire resource from the outset, and also included a decision to follow a relatively complex processing route using pressure oxidation to oxidise the sulphide minerals so that all of the contained copper could be leached and electro-won on site to produce copper cathode only.

Weatherly intends to pursue a two-phase development approach focussed initially on a Phase 1 development zone of higher-confidence and higher-grade mineralisation within the overall resource at Kitumba. The underground mine plan will be revised to focus on this Phase 1 development area, with capital expenditure reduced to suit a Phase 1 mining production rate of 0.75 to 1.0 Mtpa of ore.

Further, Weatherly intends to evaluate a lower risk and lower cost processing route utilising a combination of flotation and atmospheric leaching plus solvent-extraction and electro-winning to produce a concentrate containing the sulphide minerals for sale to local smelters, plus producing refined copper cathode from the oxide minerals within the resource.

To assist with this work, Weatherly engaged The MSA Group to provide an updated JORC-compliant Mineral Resource Estimate using a 2% Cu cut-off grade. They have now completed that work and the Measured & Indicated Mineral Resource estimate at a 2% Cu cut-off grade comprises 9.5Mt at 3.6% Cu, containing 342,000 tonnes of copper, with 5.3Mt at 4.04% Cu classified as Measured, and 4.2Mt at 3.05% Cu classified as Indicated.

The higher-confidence of the higher-grade portion of the Mineral Resource is demonstrated by the fact that 56% of the tonnage and 63% of the contained metal is in the higher-confidence Measured category, compared with the previously reported estimate at the lower cut-off grade which had 39% of the resource tonnage and 49% of the metal in the Measured category.

Weatherly believes that the change to a phased development approach focussed initially on high-confidence high-grade ore and the changed processing route will together significantly improve the financial metrics of Kitumba, and will allow a fast-track to financing and production.

The next steps involve re-logging of the substantial quantity of existing core and additional assaying to inform an improved geo-metallurgical model, followed by supplementary metallurgical testwork to form the basis of a new Preliminary Feasibility Study (PFS) for a Phase 1 mine development.

Upon completion of a positive PFS in 2018, a Bankable Feasibility Study (BFS) will be conducted and funding sought, with target completion by the end of 2019, for construction during 2020.

Once the Phase 1 development is financed and under construction, Weatherly will examine a Phase 2 development which will evaluate production expansion and/or mine-life extension options based on the overall resource.

Weatherly and its subsidiaries are unlikely to generate sufficient surplus cash to meet all loan repayments when due, particularly in the near term. Weatherly continues to positively engage with Orion on the subject.

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.

For further information, please contact:

Polo Resources Limited	+27 (0) 787 312 919
- Kudzayi Denenga, Investor Relations	
Allenby Capital Limited (<i>Nominated adviser & joint broker</i>)	+44 (0)20 3328 5657
- John Depasquale	
Liberum Capital (<i>Broker</i>)	+44 (0) 20 3100 2000
- Henry Freeman	
Blytheweigh (<i>Public relations</i>)	+44 (0) 207 138 3204
- Tim Blythe, Nick Elwes, Camilla Horsfall	

The information in this report that relates to the Kitumba Mineral Resource estimate is based on information compiled by Mr Jeremy C Witley, MSc (Eng), BSc (Hons), Pr.Sci.Nat, a Competent Person who is a Fellow of the Geological Society of South Africa, which is a Recognised Professional Organisation ('RPO'). Mr Witley has more than 25 years' experience in base and precious metals exploration, mining geology and Mineral Resource estimation and is a Principal Consultant with The MSA Group. Mr Witley has sufficient experience, that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral

Resources and Ore Reserves'. Mr Witley consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.

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.