

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.

7 April 2020



POLO RESOURCES LIMITED

("Polo" or the "Company")

Update on Polo increasing interest in GCM, Issue of Equity, False Allegations, Update on Adjourned AGM, Non-Executive Director and Total Voting Rights

Polo Resources Limited (AIM:POL), the multi-sector investment company with interests in oil, gold, coal, copper, phosphate, lithium, iron and vanadium, announces that further to the Company's announcements on 6, 12 and 21 February 2020, concerning the transaction between the Company's subsidiary, Polo Investments Limited ("PIL") and Dyani Corporation Limited ("Dyani") in relation to the acquisition of shares of GCM Resources plc ("GCM") (the "Transaction"), the Company can confirm, having taken appropriate advice, it is satisfied that there are no regulatory or legal matters preventing it from entering into the Transaction.

As a result of the Company's inability to complete the Transaction in accordance with the agreed terms following the complaints by Phronimos Capital LLC ("Phronimos"), the Company has had to agree to revised terms in order to consummate the Transaction.

PIL has agreed with Dyani to acquire 16,101,931 shares in GCM for a consideration of £1,682,651.79 (the "Consideration") or at 10.45 pence per share. The Consideration is at a 2.8% discount to GCM's last traded share price on 31 March 2020. The Consideration will be payable by the issuance of 72,216,815 new ordinary shares in the Company at 2.33 pence per share ("Consideration Shares"). The Consideration Shares will be issued at a 40% premium to the Company's last traded share price on 31 March 2020. 50% of the Consideration Shares amounting to 36,108,408 shares will be subject to a 12 month lock in. Upon completion, Polo will become the largest shareholder of GCM with 33,595,643 shares (approximately 29.9%) from 17,493,712 shares (approximately 15.57%) currently. The Company welcomes Dyani as the largest shareholder with 18.8% of the enlarged share capital.

GCM (AIM: GCM) is listed on AIM and is developing a world class coal resource of 572 million tonnes (JORC 2004 compliant) and 6,000 mega-watts of mine mouth power plants utilising highly energy-efficient ultra-supercritical technology, known as the Phulbari Coal and Power Project, in North West Bangladesh. Polo has been a significant shareholder and promoter of GCM since 2008. In the past 18 months, GCM has made considerable progress with the project, as reported in various GCM announcements. Dyani has been seeking to divest its shareholding in GCM in order to qualify themselves to receive further GCM shares pursuant to a pre-existing arrangement with GCM and had sought Polo's assistance. Polo has been endeavoring for several years to increase its exposure to GCM following several rounds of dilution as well as to reinstate its position as the largest shareholder. The Transaction represents an opportunity for Polo to increase its shareholding in GCM and enables the Company to increase its asset base without any cash outlay and to issue new shares at a substantial premium to its market value. The Board is hopeful that the current Coronavirus Disease pandemic will

encourage the Government of Bangladesh to enhance its energy source security by utilising local coal following supply and importation disruptions. The Board views this Transaction to be a considerable value driver for shareholders and in their best interests.

Allegations by Phronimos and its principal, Mr. Sam John

Phronimos and its principal, Mr. Sam John, continues to disseminate false information concerning the Company. As announced on 21 February 2020, the Board will be seeking legal redress against Phronimos and Mr. Sam John to protect the interests of the Company and shareholders.

Adjourned AGM

The Board has determined to defer its adjourned Annual General Meeting which was held on 21 January 2020 ("AGM") due to the Coronavirus Disease pandemic and associated lockdowns in a number of countries preventing directors and shareholders from attending the meeting. Due to the lockdowns the Company does not have the facilities to hold the AGM by phone. The Company shall re-convene the AGM as soon as reasonably practicable after the lockdowns are over.

Non-Executive Director

The Board is continuing to identify an appropriate Non-Executive Director via its network of business associates.

Total Voting Rights

The Company will shortly make an application to the London Stock Exchange for the admission to trading on AIM ("Admission") of 72,216,815 Consideration Shares. The Consideration Shares rank pari passu in all respects with the Company's existing ordinary shares and Admission is expected to become effective at 8:00 a.m. on 15 April 2020. Following the anticipated admission of these shares, the total number of ordinary shares of no par value in the Company in issue will be 384,005,966 with each share carrying the right to one vote.

The figure of 384,005,966 may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Disclosure and Transparency Rules.

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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 further details on Polo, please refer to: www.poloresources.com.

About GCM

GCM Resources plc is an AIM listed company and is developing a world class coal resource of 572 million tonnes (JORC 2004 compliant) and 6,000 mega-watts of mine mouth power plants utilising highly energy-efficient ultra-supercritical technology, known as the Phulbari Coal and Power Project, in North West Bangladesh. For further details on GCM, please refer to: www.gcmplc.com.