

10 April 2019



POLO RESOURCES LIMITED

("Polo" or the "Company")

CELAMIN HOLDINGS LTD – 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 18.40% investee company Celamin Holdings Limited ("Celamin") (ASX: CNL) has advised the total amount owing by former Tunisian partner as the company begins the process of recovering its interests and the costs and damages awarded.

Celamin received an award from the sole arbitrator of the International Court of Arbitration of the International Chamber of Commerce ("ICC") on 29 November 2017 ordering the:

- Return of Celamin's 51% interest in the Chaketma Phosphate Project; and
- Payment of damages and costs by Celamin's former Tunisian partner, Tunisian Mining Services ("TMS").

The Court of Appeal of Tunis issued orders enforcing the award on 4 April 2019⁽¹⁾.

As previously announced, the various damages and costs awarded totalled approximately US\$4m. TMS had 30 days from 29 November 2017 to pay this amount failing which a 5.5% penalty interest rate would be added daily until payment. For clarity, the interest is simple interest not compounding.

Celamin is yet to receive any payment of the damages and costs awarded and it is not clear when payment will be made. While TMS continues to be in breach of the award issued on 29 November 2017, as enforced by the Court of Appeal of Tunis⁽¹⁾, Celamin provides the below outline to enable shareholders to understand the amount TMS currently owes Celamin.

Background

On 29 November 2017 the sole arbitrator of the ICC awarded Celamin the following damages and costs:

Currency	Damages	Exchange Rate ⁽²⁾	US\$
US Dollars	2,358,000	1.00	2,358,000
Euro	1,252,936	1.12	1,406,252
Australian Dollars	260,597	0.71	185,585
Swiss Francs	42,238	1.00	42,217
Total			3,992,054

1. ASX announcement 5 April 2019.
2. Exchange rates as at 5 April 2019.

Exchange rates have obviously changed since late 2017 and will continue to impact the quantum of damages:

Damages (excluding penalty interest)	December 2017	April 2019
Euro/US\$ Exchange Rate	1.18	1.12
A\$/US\$ Exchange Rate	0.76	0.71
Swiss Franc/US\$ Exchange Rate	1.02	1.00
A\$m Equivalent of US\$ amount	A\$5.4m	A\$5.6m

The penalty interest amount increases by US\$602 per day and as at 5 April 2019 the penalty interest amount totals US\$296,000 (A\$416,000) meaning the total amount currently payable by TMS to Celamin is US\$4.3m (A\$6.05m).

Celamin intends to declare the total amount owing by TMS on a regular basis.

In addition, TMS owes Celamin A\$160,000 for a 2014 debt which increases the total amount claimed to US\$4.4m (A\$6.2m). The A\$160,000 debt remains subject to the outcome of an ongoing legal case.

Celamin is also pursuing civil and criminal claims in Tunisia against individuals and organisations in relation to the fraudulent transfer of Celamin's 51% interest in the Chaketma Phosphate Project in February 2015.

The full details of these announcement can be found at <http://www.celaminnl.com.au/>.

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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.