

24 June 2010

# Polo Resources

**Polo Resources Limited**  
("Polo" or "the Company")

## **Termination of Merger Discussions with Caledon Resources and Purchase of Ordinary Shares in Caledon Resources**

Polo Resources, the mining company with coal and uranium interests in Africa, Australia and Asia, announces further to the announcement on 27 April 2010 regarding Caledon Resources plc ("Caledon"), Polo no longer intends to make an offer to acquire the entire issued and to be issued share capital of Caledon.

For the purposes of Rule 2.8 of the City Code on Takeovers and Mergers (the "Code"), Polo reserves the right to announce or participate in an offer or possible offer for the shares in Caledon and/or to take any other action which would otherwise be restricted under Rule 2.8 of the Code within 6 months of the date of this announcement: (i) with the agreement or recommendation of the board of directors of Caledon; or (ii) following an announcement of a firm offer or possible offer by or on behalf of a third party for Caledon; or (iii) following an announcement by or on behalf of Caledon of a "whitewash" proposal or a reverse takeover (in each case as defined in the Code); or (iv) with the consent of the Panel, if there is a material change of circumstances.

Polo is also pleased to announce through a private placing (the "Placing"), the purchase of up to 11 million new ordinary shares of Caledon at 30p per share. Closing of the Placing is conditional upon the passing of resolution numbered 7 set out in the notice of the Caledon Annual General Meeting. It is expected that the Placing will close on or about 1 July 2010 and a further announcement confirming the closing will be made in due course.

The termination of merger discussions is primarily due to recent market volatility. Consequently, the parties have been unable to reach mutually agreeable terms for any such merger.

Neil Herbert, Co-Chairman of Polo, commented: "Polo remains a fully supportive shareholder of Caledon and we look forward to assisting the Caledon Board in realising value for all shareholders."

### **Contacts:**

#### **Polo Resources Limited**

Neil Herbert, *Chairman*  
+ 27 82 404 36 37

#### **Canaccord Adams Limited**

Ryan Gaffney / Bhavesh Patel  
+ 44 (0) 20 7050 6500

#### **Toronto**

James McVicar

Heenan Blaikie LLP  
+1 416 643 6903

**Financial Dynamics**

Ben Brewerton / Ed Westropp  
+ 44 (0) 20 7831 3113

**About the Company**

Polo is an emerging energy company focused on acquiring and developing advanced stage coal and uranium properties. For complete details on Polo Resources Limited, management encourages investors and interested parties to view its public documents filed on AIM Exchange at [www.poloresources.com](http://www.poloresources.com).

**CAUTIONARY STATEMENT**

The AIM Market of London Stock Exchange plc does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. All statements, other than statements of historical fact, in this news release are forward-looking statements that involve various risks and uncertainties, including, without limitation, statements regarding potential values, the future plans and objectives of Polo Resources Limited. There can be no assurance that such statements will prove to be accurate, achievable or recognizable in the near term.

Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Polo Resources Limited assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

**ENDS**