



POLO RESOURCES LIMITED

(“Polo” or the “Company”)

CELAMIN HOLDINGS LTD – INVESTMENT UPDATE

CHAKETMA PROJECT RECOVERED

Polo Resources Limited, the multi-sector investment company with interests in oil, gold, coal, copper, phosphate, lithium, iron and vanadium, notes that its 14.29% investee company, Celamin Holdings Limited (“Celamin”) (ASX: CNL) has announced that it has officially recovered its 50.99% interest in the Chaketma Phosphate SA (“CPSA”), holder of the Chaketma Phosphate Project.

Celamin has been advised that the CPSA share transfer restoring its interest in CPSA has been completed by the court appointed expert. This marks a key step in resolving the dispute dating back to February 2015 following the illegal transfer of Celamin’s interest in CPSA by its JV Partner Tunisian Mining Services (“TMS”). Celamin will immediately seek a shareholder meeting and update from CPSA, plus continue in-depth legal and accounting due diligence on CPSA. Celamin is now also entitled to access company assets including all technical data prior to and since the dispute. Feasibility work will begin at Chaketma once due diligence activities are complete.

Chaketma is a potential large-scale, world-class phosphate development asset, which comprises six prospects over a total area of 56km². At the time of the dispute the deposit had a JORC compliant Inferred Resource of 130Mt @ 20.5% P₂O₅¹, confirmed from drilling at only two of the project’s six prospects.

Mr Simon Eley, Managing Director of Celamin, stated, *“We are delighted to confirm, despite the lack of compliance and measures taken by TMS, Celamin has been successful in recovering its interest in Chaketma. We wish to thank the Celamin team, the Government of Tunisia, our loyal and patient shareholders, our Tunisian supporters and legal advisors for their tireless efforts in facilitating Chaketma’s return. We are very excited to be re-starting work on what is a world-class fertilizer project in Tunisia.”*

50.99% Chaketma Recovered

Celamin has recovered 50.99% of CPSA following the registration of the share transfer completed in Tunisia, reducing TMS to 48.99%. Celamin will request a CPSA shareholder meeting following which it will be updated on all matters relating to CPSA.

TMS still owes Celamin US\$4.7M in costs and damages. Celamin will continue the process to force the sale of TMS assets to recover funds to offset the damages and costs owed.

CPSA applied to convert the Chaketma exploration permit to a mining concession in late 2017, ahead of the February 2018 deadline. TMS has not complied with orders issued by the arbitrator in November 2017 requiring it to provide Celamin with a copy of the concession application filed on behalf of CPSA. Celamin will review this application and liaise with government and regulatory authorities prior to advancing the application for a mining concession over Chaketma.

Fast Track Project Relaunch

Celamin will shortly implement an accelerated program to re-start the Chaketma Phosphate Project. Prior to the theft of the project in 2015, Celamin had advanced technical work at the Chaketma project. This included establishing an Inferred Resource inventory of 130Mt^{1,2}, promising metallurgical test work³, and

discussions with multiple potential off-take partners. Celamin understands that some further work has been completed since 2015.

Notes:

¹ Gassaa Kebira Inferred Mineral Resource ASX announcement dated 18/6/2013.

² Kef El Louz Inferred Mineral Resources ASX announcement dated 9/11/2012.

Upon gaining project control, Celamin will undertake a GAP Analysis of all prior work completed at Chaketma, including the period 2015 to 2020:

- Review of all drilling completed and availability of drill core and records
- Re-estimating the Resource
- Metallurgical test work
- Review of feasibility study submitted as part of the concession application by CPSA
- Review of ESIA work completed and re-engaging with the local communities in the project area

This GAP analysis will then form the basis for commencing a Pre-Feasibility Study (“PFS”), leading into a Definitive Feasibility Study with the scope to be determined from the PFS.

Given Chaketma’s scale and favourable infrastructure, Celamin will assess staged project development of the Chaketma Phosphate Project:

- Initial rock phosphate concentrate project using either simple washing and screening, or flotation;
- Subsequent downstream processing with integrated fertiliser operation exporting chemical fertiliser products into the globally significant phosphate market.

Processing	Comment	Product
Simple washing and screening	Target >25% P ₂ O ₅ horizon	>28% P ₂ O ₅ rock phosphate
Flotation	All phosphate horizons	>30% P ₂ O ₅ rock phosphate
Conventional acid production	All phosphate horizons	Phosphoric acid

Chaketma Resource

Celamin previously announced an Inferred Resource of 130Mt @ 20.5% P₂O₅ at Chaketma for Kef El Louz⁴ on and Gassaa Kebira⁵. The Kef El Louz Resource estimate needs to be updated with all drilling since 2012 which has extended the deposit to the south.

Celamin will also study the potential to initially target the high-grade portion of the resource in the middle “B” layer.

Only drill results from Gassaa El Kebira and the northern area of Kef El Louz have been used to calculate the current Inferred Resource of 130Mt @ 20.5% P₂O₅.

<u>Prospect</u>	Category	Tonnes (Mt)	P ₂ O ₅ (%)
Kef El Louz North ³	Inferred	37	21.0
Gassa Kebira ⁴	Inferred	93	20.3
TOTAL	Inferred	130	20.5

Notes:

³ Metallurgical breakthrough – Increase phosphate recoveries ASX announcement dated 8/9/2014.

⁴ Kef El Louz Inferred Mineral Resources ASX announcement dated 9/11/2012.

⁵ Gassaa Kebira Inferred Mineral Resource ASX announcement dated 18/6/2013.

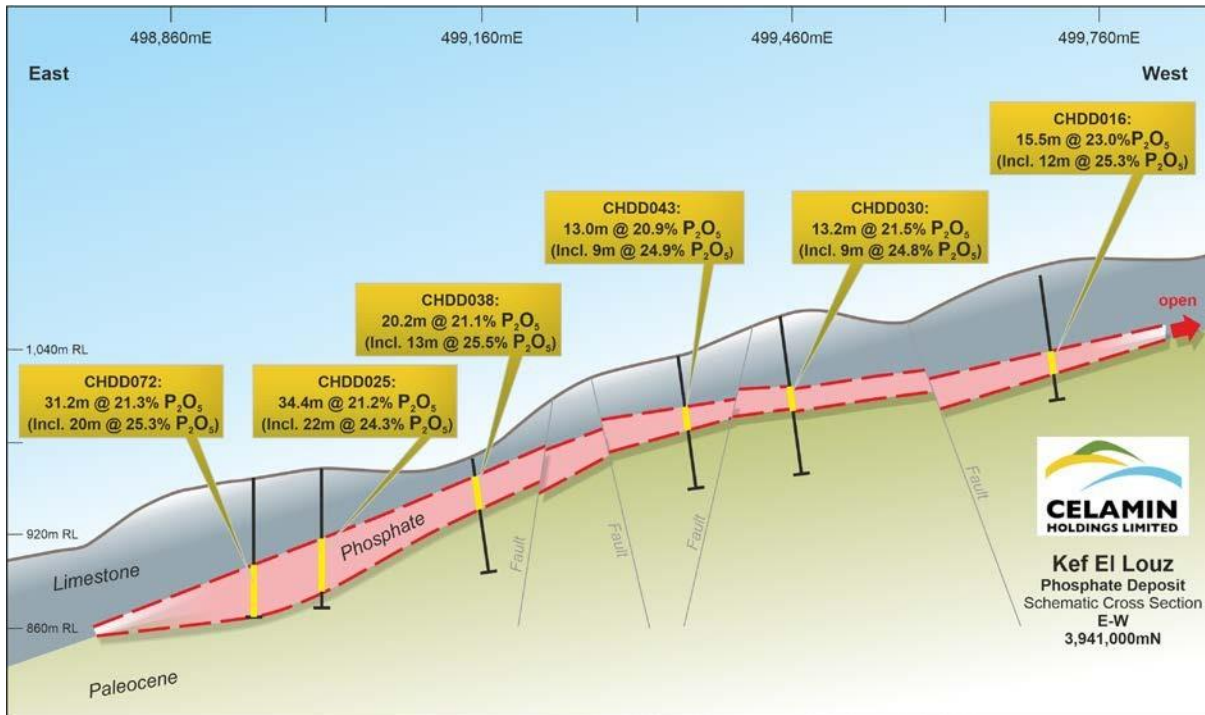


Figure 1 – Chaketma Cross Section with P₂O₅ Intercepts on Kel El Louz⁶

The Chaketma permit hosts four further prospects that require follow up assessment in due course:

- Sidi Ali Ben Oum Ezzine: 9 holes drilled (average 15.3m @ 20.7% P₂O₅)⁷
- Douar Ouled Hamouda: One hole drilled (13.25m @ 18.8% P₂O₅)⁸
- Kef El Aguab: Undrilled
- Gassat Ezerbat: Undrilled

Notes:

⁶ Kel El Louz Inferred Mineral Resources ASX announcement dated 9/11/2012 and 10/4/2014.

⁷ Chaketma Exploration Update ASX announcements dated 23/1/2012 and 19/12/2012.

⁸ See ASX announcement dated 2/4/2013.

The full details of the announcement can be found at <https://celaminholdingsltd.com/>

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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.