

16 May 2012



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

## **POLO INCREASES INTEREST IN SIGNET PETROLEUM LTD**

Polo Resources, the natural resources exploration investment company with interests in coal, gold, iron ore and oil and gas, announces that, on 15 May 2012, it subscribed (the "**Subscription**") for a further 2,857,143 new shares ("**New Shares**") in Signet Petroleum Ltd ("**Signet**") for a total consideration of US\$10 million, by exercising the balance of the option granted to the Company by Signet on 22 August 2011 (the "**Call Option**").

Polo has been granted a two year warrant over 1,428,572 new shares of Signet at an exercise price of US\$3.50 per share (the "**Polo Warrant**").

The proceeds of the Subscription will be used to fund Signet's exploration activities in Tanzania, Burundi, Namibia and Benin and as general working capital.

Following the issue of the New Shares Signet will have 35,919,522 issued ordinary shares ("**Signet Shares**"), of which Polo is interested in 7,809,522 Signet Shares representing 21.7 per cent of Signet's issued shares, and 17.9 per cent of Signet's issued shares on a fully diluted basis (excluding the Polo Warrant).

Polo has received the following operational update from Signet:

### Tanzania

In May 2012, Signet successfully received a 4 year Production Sharing Contract extension until 28 May 2016 and is currently mobilising Fugro's *M/V Coral* to commence the acquisition of approximately 110 square kilometres of 3D seismic to gain further clarity in relation to the potential extension of the BG/Ophir Chaza discovery into Signet's Mnazi Bay North block.

### Namibia

Signet has completed the acquisition of comprehensive 2D seismic in conjunction with Spectrum ASA. Processing of the data is ongoing and initial interpretation results are expected in July 2012.

### Burundi

Signet is advancing its preparations for the acquisition of 2D seismic in Burundi utilising the *Tanganyika Explorer* which is 50 per cent owned by Signet.

### Benin

Signet is progressing with the analysis of all data on Bloc Offshore 3 in preparation for a seismic programme in 2013.

### Background information on Signet Petroleum Ltd

Signet was incorporated and registered as a private limited company in the British Virgin Islands on 18 June 2010. Since its incorporation Signet has acquired interests in exploration rights for hydrocarbons in four countries in Africa, namely Tanzania, Burundi, Benin and Namibia. Signet is also actively pursuing oil and gas opportunities in the Democratic Republic of Congo and Sierra Leone.

By a resolution of shareholders at a general meeting of the Company on 6 October 2011, the Company's shareholders approved the exercise of the Call Option, such exercise to be made at the Directors' discretion.

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**About the Company**

Polo Resources is a natural resources investment company focused on investing in undervalued companies and projects with strong fundamentals and attractive growth prospects. For complete details on Polo Resources: [www.poloresources.com](http://www.poloresources.com).

**CAUTIONARY STATEMENT**

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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.