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.

21 December 2018

Polo Resources

POLO RESOURCES LIMITED

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

RESULTS FOR THE YEAR ENDED 30 JUNE 2018

Polo Resources Limited (AIM: POL), the multi-sector investment company with interests in oil, gold, coal, copper, phosphate, lithium, iron and vanadium, today announces results for the year ended 30 June 2018.

Financial Summary:

- Group net assets as at 30 June 2018 increased by 28% to USD60.28 million (30 June 2017: USD47.22 million)
- Combined total of cash, receivables, payables, listed and unlisted equity investments of USD62.0 million as of 14 December 2018 (30 June 2018: USD60.28 million).
- Net Asset Value per share as at 14 December 2018 was approximately 15.73 pence per share (30 June 2018: 14.70 pence per share).
- Listed and unlisted investments at marked to market value, cost and valuation amounted to USD54.53 million (30 June 2018: USD52.92 million).

Chairman's Statement

Introduction

The year under review is one that has seen mixed results unfold within Polo's portfolio, however, sector sentiment across the natural resources arena has generally been positive. For example, during this reporting period, the price of oil rose from over USD40 per barrel (Brent crude) to circa USD70 which has delivered positive results for our oil and gas investment exposure. The US economy has seen bullish growth of 2.3% during 2017 which has lifted consumer confidence and helped stimulate demand across the commodity markets, especially within the US steel market which has seen steel production edge up by 5% during 2017.

The well documented trade disputes between countries still pose some risks to commodity demand, however, the International Monetary Fund anticipates global GDP growth to be 3.7% in 2019, which provides some comfort ahead as we advance into our next reporting period.

Portfolio Overview

Hibiscus Petroleum Berhad ("Hibiscus")

On 10 March 2016, Hibiscus Petroleum Berhad (HIBI:MK) acquired a package of geographically focused producing fields and its associated infrastructure in the North Sea, United Kingdom ("UK"), collectively known as the Anasuria Cluster. Since the acquisition of Anasuria, Hibiscus has recorded ten consecutive quarters of profitability for the fourth quarter ended 30 June 2018. More recently, the introduction of the North Sabah assets as part of the overall business portfolio has reinforced Hibiscus' financial stability.

Hibiscus carried out significant activities in 2018 which included: i) Completion of the acquisition of a 50% participating interest in the North Sabah Enhanced Oil Recovery Production Sharing Contract ("North Sabah PSC") in Malaysia and commencement of operations of this second producing asset effective 1 April 2018 under the operatorship of the company; ii) In the U.K. North Sea, technical work on the opportunities around the Anasuria Cluster (Hibiscus' first producing asset in which it has a 50% participating interest) increased the volume of reserves, and a well was drilled in the Central North Sea; iii) In October 2018 Hibiscus acquired a 50% participating interest in two discovered fields in Blocks 15/13a and 15/13b in the Central North Sea (together, "Marigold & Sunflower Blocks") which are currently non-producing – marking a second major asset in the U.K. North Sea.

Each of the above activities has involved the deployment of capital and technical resources of the company and from third parties with a view to value accretion. These projects have also increased the scale and profile of Hibiscus, Malaysia's first listed, pure play independent oil and gas exploration and production company. Hibiscus remains committed to achieving its Mission 2021 of achieving 100 million barrels ("mmbbls") of net proved and probable oil reserves and net production of 20,000 barrels ("bbls") per day.

Hibiscus Petroleum Today – Including events "*Post the Reporting Period*"

A. Increased Value, Scale and Market Awareness:

Hibiscus' market capitalisation has increased by approximately RM600 million (USD144.5 million), or by about 54%, over the past 12 months. As at close of trading on 3 December 2018, the company had a market capitalisation of approximately RM1.715 billion (USD0.413 billion). Trading liquidity has also been high. Both factors have contributed to the company's shares being added to the MSCI Global Small Cap Index effective 30 November 2018, underscoring increasing international market awareness of Hibiscus.

B. Improving Financial Performance:

For the current twelve-month period, i.e. from 1 July 2017 to 30 June 2018 (FY2018), Hibiscus posted revenue of RM394.3 million (USD93.8 million), up from RM261.3 million (USD62.18) achieved in the corresponding 12 month period in the previous financial year ended 30 June 2017 (FY2017). Hibiscus achieved profit after taxation of RM203.7 million (USD48.48) in FY2018 compared to RM106.1 million (USD25.25 million) in FY2017.

The financial health of the company has been improving. As of 30 September 2018, total cash balances stood at RM302 million (USD72.7 million), total assets have increased to RM2.2 billion (USD0.53 billion), net assets per share stood at 70 sen and Hibiscus continues to operate without debt.

C. Anasuria Cluster Update:

Any increase in the value of a public company share price should normally be driven by fundamental value creation at the level of the assets owned by the public company. For Hibiscus

Petroleum, two activities at our North Sea Anasuria asset have recently contributed towards increasing the valuation of the company.

1) Technical work completed on the asset has enabled independent experts to increase our net proven and probable ("2P Oil Reserves") to 24.4 mmbbls (as of 1 July 2018 - LEAP Energy Partners) from 20.2 mmbbls (projected by RPS Energy as of 1 March 2016). Given production of 2.5 mmbbls during the intervening period, this upgrade signifies that 6.7 mmbbls were added to net reserves.

2) In addition to technical work in the office, Hibiscus also carried out value-accreting activities offshore. In mid-2018, the existing GUA-P2 ("GUA-P2 ST") well was side tracked into a nearby, untapped compartment of the Forties reservoir containing a gross recoverable oil volume of approximately 1.5 mmbbls. This represented the company's first major capital project in the North Sea. Upon completion of the sidetrack, Hibiscus' net daily production from the Anasuria Cluster increased by more than 33%.

In October 2018, the Anasuria Cluster was contributing an average of 4,229 bbls/day net to Hibiscus, compared to an average of 3,197 bbls/day in FY2017.

Hibiscus will continue to drive towards its target of delivering an average net production of 5,000 bbls/day by the end of FY2020 (as announced on 9 November 2017). In this respect, a water injection well has been sanctioned on the Cook Field with the aim of re-pressurising the reservoir. In this manner, Hibiscus hopes to improve the Recovery Factor from this field thus extending the economic life and lowering future unit operating costs.

Hibiscus is also working towards the sanctioning of a further drilling project (within the fields at Anasuria). Apart from arresting natural decline, Hibiscus hopes that this proposed well will enhance production.

D. North Sabah PSC Update:

Results disclosed in the first quarter of financial year 2019 ("Q12019") represented the second quarter of reporting by the company of the operations and contribution of the North Sabah PSC, having completed the acquisition of a 50% participating interest in March 2018. The significance of this acquisition – the first in Malaysia for the company – is that it has provided Hibiscus with oil-production footprints on two different continents.

Prior to the completion of this transaction, Hibiscus produced approximately a net of 1.0 mmbbls of crude oil per annum, solely from the Anasuria Cluster. Thus, Hibiscus was subject to business risks concentrated around the performance of a single asset. Periods of unplanned shutdown impacted revenues and profitability, sometimes, significantly. The North Sabah PSC has mitigated this risk substantially. Revenues and profits are now delivered across two geographies. In addition, the combined annual production has increased by approximately 2.0 mmbbls, or two-thirds that of total current production.

To further enhance production from the North Sabah PSC, Petroliam Nasional Berhad ("PETRONAS") had in August 2018, approved the St Joseph Infill Drilling project through the Milestone Review-4 maturation process, leading to the submission of a Field Development Plan in November 2018. This project entails the drilling of three infill producers, utilising a triple splitter wellhead on the St Joseph Jacket-A ("SJJT-A") platform. From an estimated ultimate recovery ("EUR") of a gross of 2.8 million stock tank barrels of oil, the project is expected to add approximately gross 2,600 bbls/day of oil at peak production. This infill drilling programme will require minimal modification of topside facilities at the SJJT-A platform.

The total capital commitment to this project is anticipated to be approximately RM142.5 million (USD34.31 million), which will be shared equally with Hibiscus' joint venture partner, Petronas

Carigali Sdn Bhd (“Petronas Carigali”). Drilling is expected to commence in April 2019 and first oil production expected in June 2019.

Additional projects are also being matured that will increase production in the mid-term.

E. Company Wide Internal Efficiencies:

Against a backdrop of volatile oil prices, Hibiscus believes that a disciplined approach to safe operations and cost management can contribute to improved overall operational performance. The company’s objective is to (as safely as practically possible) minimise operating expenditure per barrel of oil equivalent (“OPEX/boe”) as it is critical for the long term sustainability of our business.

We have seen oil prices which have been higher and lower than currently being experienced. While crude oil prices may fluctuate, Hibiscus’ business sustainability depends how it maintains stability in its cost structure. In addition, Hibiscus recognises that unit operating costs are a function of the volumes of oil (and gas) produced and thus, it is extremely important to keep its production uptime levels relatively high. Subject to being able to maintain current operational trends, being prudent in general and administration expenditure and efficient in the execution of projects, Hibiscus will be able to remain cashflow positive and continue to operate as a sustainable business.

F. Outlook:

In summary, Hibiscus:

- is working towards achieving net production of 5,000 bbls/day at the Anasuria Cluster by the end of FY2020.
- intends to deliver total oil production attributable to Hibiscus in FY2019 of approximately 2.7 mmbbls to 3.0 mmbbls, barring unforeseen circumstances. Total offtakes in FY2019 are expected to rise to approximately 10 (or 11), compared to an average of four per year, previously. This increase in the number of offtakes will help smoothen the average selling price per barrel of oil over the financial year.
- is focused on managing costs amidst volatility in global oil prices and is striving to maintain its OPEX/boe at a level below USD20/boe. This compares with an average selling price of crude oil achieved by the company of USD65.69/bbl for FY2018 and USD76.36/bbl for Q12019.
- has increased the combined 2P Oil Reserves of the company to approximately 46 mmbbls with the addition of the North Sabah PSC and a recent upgrade of reserves at the Anasuria Cluster;
- is commencing engineering and technical studies costing approximately USD5 million and working towards the submission of a field development plan (for the Marigold & Sunflower Blocks) to the relevant authorities for approval in about 18 months.

GCM Resources Plc (“GCM”)

Our investee company GCM has made very significant progress in its pursuit of potential development partners for its integrated coal mine and power project, located in Bangladesh adjacent to the rural township of Phulbari. Working under the previously reported agreement with China Gezhouba Group International Engineering Co. Ltd (“CGGC”) in July 2017 CGGC delivered a technical pre-feasibility study for a 2,000MW power plant located at the mine site. Subsequently CGGC and GCM agreed a Contract Framework Agreement and a Joint Development Framework giving CGGC the exclusive right for the engineering, procurement, construction, and commissioning of the proposed power plant. Throughout 2018 GCM also had ongoing discussions with Power Constructions Corporation of China Ltd (“PowerChina”) which is a state-owned key enterprise of People's Republic of China and a world-leading integrated engineering construction group.

Post the Reporting Period:

In November PowerChina delivered a "Power Plant Prefeasibility Assessment Report" confirming that by utilising the latest highly energy efficient ultra-supercritical power plant design, 6,000MW can be generated from the mine's thermal coal production. This is a large value-adding step for the integrated Phulbari Coal and Power Project as it confirms both the enormous scale of power production and the domestic market off-take for the mine's full thermal coal production, i.e. the locks in the most significant revenue stream needed to support the mine's feasibility.

Also, in November 2018 GCM announced that it had secured a £1.2 million increase to its existing short-term loan facility with Polo Resources Limited. These funds will be used to further progress joint venture arrangements with development partners.

Bangladesh is on a General Election footing with the election scheduled for 30 December 2018 and in the meantime GCM and its development partners are working towards a formal proposal to be discussed with the newly elected Government of Bangladesh in the early part of 2019.

Celamin Holdings Limited ("Celamin") (Formerly known as Celamin Holdings NL)

Celamin continues to focus on recovery of its 51% shareholding in CPSA, the operating company responsible for development of the Chaketma Project. As reported earlier, Celamin's joint venture partner, Tunisian Mining Services ("TMS") had fraudulently taken possession of Celamin's shareholding in CPSA and the matter had been referred to a sole arbitrator appointed by the International Court of Arbitration of the International Chamber of Commerce.

In April 2017, Celamin announced that it was successful in obtaining a conservatory seizure order from the President of the Tribunal of First Instance of Tunisia against all shares that TMS owns in the capital of CPSA, (being the 49% of CPSA previously held by TMS as well as the 51% fraudulently taken from Celamin by TMS), remains in place. This Seizure Order prevents TMS from dealing with any of these shares and subject to any application by TMS for removal of the order, will remain in place until enforcement of the final arbitral award.

On 1 December 2017, Celamin announced that it had received a favourable arbitration decision and TMS has been ordered to return Celamin's 51% shareholding in CPSA and to pay damages and costs in excess of USD4 million ("Final Award").

During the course of the arbitration the sole arbitrator issued interim orders to maintain the status quo pending the arbitrator's final decision. These orders are intended to prevent any disposal of CPSA's shares and assets, including the Chaketma exploration permit, and to ensure that Celamin will be informed of any CPSA activity relating to the Chaketma permit. These interim orders followed an Emergency Order issued for the same purpose. Celamin has applied for exequatur of these Orders with the Court of Appeal of Tunis and these proceedings are continuing.

On 15 June 2018, Celamin's shares were reinstated to trading on ASX following more than three years of suspension after the fraudulent transfer of Celamin's interest in the Chaketma Project. During the period of suspension, Celamin conducted a number of placements to sophisticated investors and others in order to have sufficient working capital to pursue legal proceedings for the recovery of Celamin's interest in the Chaketma Project. A total of AUD2,452,775 (USD1,790,453) was raised through share placements in July 2017, January 2018, and February 2018. Celamin had a negative cash flow from operating activities of AUD1,896,771 (USD1,385,529) (2017: AUD1,285,815 USD939,609) which is largely due to legal expenditure where various processes are being pursued to resolve the ongoing dispute with TMS.

In addition to the current enforcement process underway to recover its interest in the Chaketma Phosphate Project, Celamin continues to review other new opportunities in Tunisia consistent with its strategy to build a portfolio of resource assets to add shareholder value.

Post the Reporting Period:

In July 2018 Celamin was granted two exploration permits in Tunisia – Djebba and Zeflana. Both are prospective for zinc and lead. The grant of the Djebba and Zeflana exploration permits provide Celamin with a foot hold on some of Tunisia's most prospective ground for base metals. Celamin was able to secure the grant of these new exploration permits projects at a time of high zinc prices, including one that hosts a significant zinc deposit. Initial work programs on the permits will involve a compilation of historical data and reconnaissance ground-work to help set the first phase of exploration on both permits.

On 28 September 2018, Celamin announced that the Swiss Supreme Court had declared inadmissible TMS' annulment application to set aside the Final Award. The Swiss Supreme Court has further ordered TMS to pay the Court's cost of approximately AUD21,500 (USD15,711), plus an additional indemnity to Celamin for its legal costs in the amount of approximately AUD24,000 (USD17,389).

The decision of the Swiss Supreme Court is final, no further appeals or challenges are available against the Final Award before the Swiss Courts. Celamin has applied for enforcement of the Final Award in Tunisia by way of application to the Tunisian Court of Appeal. Upon enforcement, the Final Award may be executed against TMS in the same manner as any Tunisian Court decision.

On 8 October 2018, Celamin announced a partially underwritten Share Purchase Offer ("SPP Offer") to raise up to AUD673,005 (USD491,966). The company also announced a Bonus Options Offer to be made to shareholders on a 1 for 2 basis as well as a Placement Offer to sophisticated, institutional or professional investors to raise up to a further AUD250,000 (USD182,696).

On 14 November 2018, Celamin announced that the Top Up Placement ("TUP") as contemplated by Celamin's Prospectus lodged with ASIC and ASX on 15 October 2018 successfully raised AUD336,502 (USD242,975), before costs, through the issue of 13,460,090 new fully paid up ordinary shares in Celamin at the same price per share as the SPP Offer that closed on 7 November 2018 (refer to CNL ASX Release dated 9 November 2018). Polo's interest in CNL following the SPP Offer and subsequent TUP stands at 26,214,915 shares representing 20.53% of CNL's Fully Paid Ordinary Shares.

The capital raised pursuant to the SPP Offer and the Placement Offer will be used to fund ongoing legal proceedings for recovery of Celamin's interest in the Chaketma Project, exploration programs on Celamin's new exploration permits in Tunisia prospective for zinc and lead, working capital and costs associated with the Offers.

PRISM Diversified Ltd ("PRISM")

In January this year, Ironstone Resources was renamed to PRISM Diversified Ltd. to denote the company's transition from resource development to commercial production, anticipated within 24 months. PRISM – an acronym for "Peace Region Innovative & Sustainable Manufacturing" – represents the company's brand and focus on sustainable resource development coupled with the production of critically important commodities.

Production of Carbonyl Iron Powder, Cobalt and Vanadium:

PRISM is continuing to advance its multi-faceted Clear Hills Project in north western Alberta, Canada. After entering into a strategic agreement with a Canadian-based firm that has developed and globally deployed its commercial vapour metal deposition technology, PRISM will produce high-purity and high-value metal powders used in expanding markets, including the additive manufacturing industry (3D printing). The agreement establishes the parameters for both firms to work collaboratively in the development of a 10,000 tonne per year carbonyl iron powder production plant (with cobalt and vanadium co-products) in NW Alberta. Carbonyl iron powders, in select markets, can sell for upwards of USD10,000 per tonne.

Production of Lithium Carbonate from lithium-rich formation brines:

With the burgeoning demand for lithium and vanadium “electric metals” needed for batteries for use in electric cars, consumer electronics and renewable energy storage, the spotlight has grown on companies like PRISM. In addition to owning a significant resource of vanadium pentoxide in the Clear Hills (2.45 billion pounds contained), the company holds the mineral rights to lithium, and other performance elements such as potash, bromine and boron in the Devonian-age reservoirs that underlie its permits. These carbonate reservoirs, that typically produce oil and gas, also contain significant amounts of formation waters with elevated concentrations of lithium, a key component of rechargeable batteries.

PRISM, having determined there is excellent development of multi-stacked porous lithium brine-bearing reefs underlying and in close proximity to its Clear Hills permits, acquired 1.4 million acres of new mineral permits in early 2018. The company now controls the largest mineral tenure for lithium-bearing brines in Alberta. The key to commercialisation of lithium brines is developing and deploying lithium “direct-extraction” technology to produce a lithium concentrate for further refining into battery-grade lithium carbonate. PRISM has entered into an agreement with a western-Canadian based water processing specialist firm to co-develop the required technology, dubbed “LiREC®” to separate the lithium from the reservoir fluids by adapting their existing patented technology. PRISM anticipates it will commence field trials of its LiREC® system in Q2 2019, in advance of completing its pre-feasibility study and preliminary economic assessment by the end of the year.

Funding Arrangements:

PRISM is planning a capital raise program targeting USD10 million in equity/debt in Q1 2019 to support the ongoing development of its commercial carbonyl powder and lithium carbonate projects. New operating subsidiaries of PRISM may be created for each project, with PRISM’s shareholders retaining a major interest in each entity. The company is exploring options for public listings of PRISM and/or its subsidiary companies.

Blackham Resources Limited (“Blackham”)

The Matilda-Wiluna Gold Operation (‘Operation’) is located in Australia’s largest gold belt which stretches from Norseman to Wiluna and passes through Kalgoorlie and Leinster. Over the last seven years, Blackham has consolidated the entire Wiluna Goldfield within one tenement package covering over 1,100km^2. This consolidated tenement package has historically produced over 4.4 million ounces. In October 2016, Blackham produced first gold from the Operation.

The Expansion Preliminary Feasibility Study (“Expansion PFS”) published on 30 August 2017, confirmed the robust economics for a +200kozpa long mine life operation. Key outcomes were life-of-mine AISC of AUD1,058/oz, IRR 123% and NPV8 of AUD360 million before tax at an AUD1,600/oz gold price. Blackham continues to work on options to optimise and enhance the expansion plan.

Gold production during the year was 70,565oz, with demonstrably stronger performance for the six months to 30 June 2018 as demonstrated by an increase in production of 31% on the previous half. This was driven by lower open pit mining strip ratios, higher mill grade and continuous improvements made by the processing team to the plant. Mill throughput improved in each successive quarter of FY2018, with record throughput achieved in the June 2018 quarter (535kt milled).

Blackham recorded a loss for the year ended 30 June 2018 of AUD20.0 million (USD14.46 million). AUD14.4 million (USD10.42 million) of the loss was incurred in the first half of the year which was mostly impacted by low gold production at the Matilda-Wiluna Gold Operation, where production and mill feed head grade was hampered by 43% of mill feed being sourced from low grade stockpiles.

Operationally, the company had gross profits from operations of AUD4.8 million (USD3.47 million) before non-cash depreciation and amortisation charges. There was an AUD5.6 million (USD4.05 million) coming from the second half of the year, completely turning around the first half's performance.

Cash flows from operating activities were AUD6.2 million (USD4.48 million), of which AUD8.3 million (USD6 million) came from the six months ending 30 June 2018.

In November 2017, Blackham successfully switched to an owner operator air leg mining method to mine the Golden Age orebody. The air leg mining method is considered a lower risk method and has resulted in lower tonnes being mined at a higher grade. Golden Age has consistently generated cash and is forecast to continue doing so.

Production guidance for FY2019 is 77k-89koz at an AISC of AUD1,250-AUD1,450/oz. FY2019 AISC is expected to be higher than Life of Mine AISC, particularly in the September quarter, due to the investment required to strip new mining areas in the Matilda Mine, increase stockpiles and to maintain a high mill throughput.

Post the Reporting Period:

Blackham announced on 31 October 2018 an increased Ore Reserve estimate for the Operation of 26Mt at 1.8g/t for 1.53Moz of gold as at 30 June 2018. Blackham continues to progressively assess the Operation's Resource base total of 96Mt at 2.2g/t for 6.7Moz (58% Indicated), with further conversion expected into reserves.

Blackham is well funded as it enters a significantly lower risk period of production, initially targeting 250oz of oxide gold production over the next 3.5 years with expected stripping ratio of less than half of recent levels (7:1 vs 16.5:1) providing a meaningful step change in project economics. This, in conjunction with continued access to high grade ore zones that are supported by extensive grade control drilling and which will provide ongoing mill supply and continued growth in high grade stockpiles, is expected to deliver a period of strong operational cash flows.

Weatherly International Plc (“Weatherly”) (In Administration)

Weatherly has a diverse portfolio of base metal production and development assets with multiple low capital spend growth opportunities. These include the Tschudi Mine, the Otjihase and Matchless mines (together, “Central Operations”) and the Berg Aukas project in Namibia.

For the quarter ended 31 March 2018, Weatherly reported Tschudi copper cathode production of 4,161 tonnes, bringing year to date production to 13,005 tonnes Cu, being 2% ahead of nameplate, Tschudi C1 costs increased to USD5,608 per tonne for the quarter, due largely to strengthening of the Namibia dollar and that dewatering in the open pit mine continued to be managed.

In April 2018, Weatherly announced that it had retained advisers to evaluate strategic options for the company following operational challenges at its key asset, the Tschudi open pit copper mine, in Namibia. The 2016/2017 year began on the back foot with Tschudi needing to recover from the high groundwater inflow rates encountered in the open pit in the last quarter of the previous year. These inflow rates far exceeded the worst case scenarios foreseen within the Bankable Feasibility Study, making it impossible to prepare for these excessive inflows in advance and making it equally impossible to provide the required volumes of ore from the pits to the crushing and stacking plant in the short term. As described in Weatherly's Interim Results announced on 19 March 2018, open pit groundwater inflows in the Tschudi open pit, and the costs of dealing with them, continued to increase as pit mining proceeded to greater depths. However, the flow rates were managed adequately, to ensure a reliable supply of ore for stacking.

On 26 April 2018, Weatherly announced that it has engaged Numis Securities Limited ("Numis") and Treadstone Resource Partners ("Treadstone") as its financial advisers to lead a review of strategic alternatives for the company and its assets where all opportunities for maximising shareholder value would be considered (the "Strategic Review").

The scope of the options considered under the Strategic Review included, but were not limited to, the sale of the entire issued, and to be issued, share capital of the company; the restructuring of the company's debt; the disposal of certain company asset(s); or the raising of capital via equity issuance.

The position of the Tschudi mine remained fundamentally uncertain as a result of further significant water ingress in May 2018. Whilst water levels were stabilised, it was not possible for Weatherly to assess the length of time required before full mining operations could be recommenced, nor the full financial impact be assessed during this time. On 1 June 2018, Weatherly announced that as a result of this material uncertainty, Orion Mine Finance (Master) Fund I LP ("Orion) had confirmed to Weatherly, in writing, that they were unlikely to permit further drawdowns under the existing uncommitted loan facility with Orion, details of which were announced by Weatherly on 28 July 2017. Weatherly's Directors considered that no further reliance could be placed on Orion supporting the company financially and therefore sought to temporarily suspend the company's shares from trading on AIM and seek advice in relation to administration. Subsequently, on the same day, the company announced the appointment of Simon Kirkhope and Andrew Johnson of FTI Consulting LLP ("FTI") as administrators to the company.

On 13 June 2018, Weatherly announced that it had concluded the acquisition of a further 65% interest in China Africa Resources Namibia Limited ("CARN"). Weatherly now has a 90% interest in CARN, which owns 100% of the high-grade Berg Aukas underground zinc-lead-vanadium project near Grootfontein, Namibia.

Post the Reporting Period:

On 31 July 2018 the Administrators' Statement of Proposals were released by Weatherly and can be found at the following website:

https://www.fticonsulting-emea.com/cip/weatherly-international-plc

On 7 August 2018, Strand Hanson Limited, Weatherly's Nominated Adviser and Broker resigned and in light of the Administrators' Statement of Proposals, Weatherly did not seek the services of another Nominated Adviser and, as a result, the company was delisted from AIM the following month.

On 8 October 2018, Weatherly announced that following significant operational progress at Weatherly's Tschudi mine, the company has restarted the process of reviewing its strategic options (the "Process"). The Process is being led by Numis and Treadstone. This follows Weatherly's announcement on 1 June 2018, detailing the appointment of Administrators.

Weatherly reports that since June 2018 there have been material improvements to the dewatering capabilities and a strategy enabling stable path to growth has been implemented.

The scope of the options being considered by Weatherly include, but are not limited to, the sale of certain subsidiaries of Weatherly, or the disposal of certain assets of the company (or of its subsidiary undertakings).

Polo's current portfolio includes:

Petroleum assets:

- Hibiscus Petroleum Limited (8.75%)
- Regalis Petroleum Limited (12.66%)

Coal and power assets:
- GCM Resources Plc (17.83%)
- Universal Coal Resources Pte Ltd (redeemable convertible note)

Phosphate asset:
- Celamin Holdings NL (20.53%)

Lithium, iron and vanadium:
- PRISM Diversified Ltd (19.5%)

Gold assets:
- Blackham Resources Limited (1.53%) (diluted following a rights issue)
- Nimini Holdings Limited (90%)

Copper asset:
- Weatherly International Plc (5.2%)

Various liquid short-term investments.

It was announced in our Annual Report for the year ended June 2017, that the Company had amended its investment strategy. This was predicated on the Board's belief that growth in Asia and the Pacific will remain strong and that the Company's strategy should be to focus more on direct and indirect investments in this geographical location. This change in investment policy was supported by analyses undertaken by multilateral organisations. For example, the Asian Development Bank states that economic activity in Asia will continue to grow, with the region expecting to contribute to about 60% of global growth in the next couple of years. Moving forward, the Company's strategy continues to be to make direct and indirect investments in a portfolio of businesses and assets with at least the majority of their operations or early stage companies that intend to have at least the majority of their operations in Asia Pacific. Moving forward, the company therefore maintains that its strategy will be to make direct and indirect investments in a portfolio of businesses, assets and early stage companies that have, or intend to have, at least the majority of their operations in Asia Pacific.

Summary

Polo's exposure to a basket of commodities that span bulk and precious metals, agri minerals and speciality metals that are commonplace in the new electric vehicle revolution, provide our shareholders with a good pricing and demand variance as the world moves into a new age that is looking for less dependence on hydrocarbons. On power generation, our exposure to the Bangladesh power sector, helps us retain a significant interest in a traditional and reliable sector of the energy market along with our oil and gas investments. By ensuring that we retain a balanced portfolio of commodity assets we can continue to offer our shareholders risk mitigation exposure to the broader commodity market.

The outlook moving into 2019 looks promising as we see stable economic growth continue to drive the demand for commodities in which we have investment exposure. Our focus for the period ahead is to look for investment opportunities that are entering investment horizons that offer positive shareholder returns.

To conclude, I would like to take this opportunity to thank all our shareholders and partners for their continued support.

Datuk Michael Tang, PJN
Executive Chairman
20 December 2018

For further information, please contact:

Polo Resources Limited	+27 (0) 787 312 919
- Kudzayi Denenga, Investor Relations	
Allenby Capital Limited (Nominated adviser & broker)	+44 (0)20 3328 5657
- John Depasquale	
Blytheweigh (Public relations)	+44 (0) 207 138 3204
- Julia Tilley, Jane Lenton, Fergus Cowan	

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, refer to: www.poloresources.com.

CAUTIONARY STATEMENT

The AIM Market of the 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 the future plans and objectives of Polo. 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 assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

The Company's exploration and investment activities may also be affected by a number of risks, including legal, political, environmental, economic, financing, permitting, commodity, exploration and development and other market risks which are normal to the industry and referenced in greater detail in the Company's 2018 Annual Report for the period ending 30 June 2018, which may be found on the Company's website at profile on www.poloresources.com.

Investment Update

Oil and Gas

Hibiscus Petroleum Berhad (HIBI: MK)

- Oil and Gas, United Kingdom and Australia
- 8.75% equity interest

Anasuria Hibiscus UK Limited (AHUK") has been a joint operator of the Anasuria Cluster since 10 March 2016. Prior to this, Shell had been the operator of Anasuria. The five discovered oil fields within Anasuria Hibiscus' licence boundaries include Guillemot A, Teal, Teal South, Cook and Kite. The Guillemot A, Teal, Teal South and Cook fields have the necessary infrastructure installed and have been producing to the Anasuria FPSO since the late 1990's.

Hibiscus' activities on the North Sabah PSC in FY2018 were primarily focused on completing the acquisition transaction. Hibiscus has only recently immersed its self in the day-to-day operations of the North Sabah PSC fields and is motivated by their potential. Net 2C Resources are estimated to be 29.2 million barrels and, in this respect, the management team at SEA Hibiscus is maturing several projects to convert some of these 2C Resources into producible 2P Reserves.

The North Sabah PSC comprises of four producing oil fields and associated infrastructure; i.e. St Joseph, South Furious, SF30, and Barton oilfields which are located in a key hydrocarbon province in Malaysia and have delivered reliable production since coming on stream in 1979. The PSC also contains pipeline infrastructure and the Labuan Crude Oil Terminal, an onshore processing plant and oil export terminal. The North Sabah PSC also provides long-term production rights until 2040. Given the readily available infrastructure, Hibiscus expects that to begin to observe an increase in production volumes and a reduction in unit production costs by financial year ending 30 June 2020.

Hibiscus produces crude oil and sells it in cargoes. From the Anasuria FPSO facility, Hibiscus sells its crude oil in cargoes of approximately 250,000 barrels. BP Oil International Limited ("BPOI") has been appointed to lift its cargoes and to market them to refineries in the region. The parent organisation of BPOI is BP plc, a global energy company. To date, BPOI has successfully marketed all cargoes at competitive prices.

In North Sabah, oil is lifted from the Labuan Crude Oil Terminal (which is operated by Hibiscus). Cargoes from Labuan are sold in parcels of approximately 300,000 barrels directly to the Trafigura Group, a large global commodities trader.

Hibiscus is pleased with both oil trading arrangements in Anasuria and in North Sabah. Its counter-parties are reputable and have a large pool of clients. Working with major global players also ensures transparency and allows Hibiscus to gradually develop business relationships with some of the largest oil traders.

Operational performance of the Anasuria Cluster

Metric	Units	FY2018[1]	FY2017[2]
		Jul 2017 – Jun 2018	Jul 2016 – Jun 2017
Average uptime	%	76	85
Av. daily oil production rate	bbl/day	2,705	3,197
Av. daily gas export rate[3]	boe/day	240	356
Average daily oil equivalent production rate	boe/day	2,945	3,552
Total oil sold	bbl	791,823	1,128,868
Total gas exported (sold)	MMscf	523	779

Av. realised oil price	USD/bbl	60	48
Av. OPEX/ boe	USD/boe	23	15

Notes:
[1] Financial year ended 30 June 2018.
[2] Financial year ended 30 June 2017.
[3] Conversion rate of 6,000 scf/boe.

Bbl barrel.
Boe barrels of oil equivalent.
Mmscf million standard cubic feet.
OPEX operational expenditure.

The average uptime and daily oil equivalent production rate in FY2018 reduced by 11% and 15%, respectively, compared to FY2017. The primary reason for this reduction was the execution of a 30 day planned turnaround of the Anasuria FPSO, which entailed a full shutdown of production operations during the period commencing mid-September 2017. The turnaround covered critical maintenance work undertaken to improve the reliability of the topside facilities and to ensure a safe working environment for the company's personnel offshore.

Production was also impacted by an unplanned, temporary failure of a gas compression facility on board the Anasuria FPSO. This failure affected gas lift operations on the Guillemot A field. These planned and unplanned events had an unfavourable effect on the average oil production rate and further resulted in increased operating costs for the financial year. Thus, the average unit production cost (OPEX/boe) also increased to USD23.46/boe in FY2018 from USD15.12/boe compared to FY2017.

Over the past two years, the operating company has been able to conduct at least one cargo offtake per quarter. However, the cargo from the Anasuria FPSO, scheduled for delivery in the final quarter of FY2018, was deferred by several days before being conducted on 2 July 2018 (2 days post-closing of the quarter). This deferment ensured the overall safety and smooth running of operations at the Anasuria Cluster whilst the drilling of the GUA-P2 side-track well on the Guillemot A field was ongoing. The reduction of one offtake for the financial year thus resulted in total oil sold in FY2018 declining by approximately 30% to 0.8 million barrels compared to FY2017.

Anasuria Reserves Upgrade:

Hibiscus commissioned LEAP Energy to undertake an independent evaluation of in-place and recoverable hydrocarbons in the Anasuria Cluster attributable to AHUK. In a report dated 23 August 2018, LEAP Energy stated that, based on their evaluation, the 2P Reserves net to AHUK have increased to 24.4 MMbbls as of 1 July 2018.

This recent estimate by LEAP Energy represents a net 4.2 MMbbls or 20.8% increase in 2P reserves when compared to the 20.2 MMbbls forecasted by RPS Energy Consultants Limited (RPS Energy) as of 1 March 2016. Given that AHUK's production in the interim period between 1 March 2016 and 1 July 2018 was approximately 2.5 MMbbls of oil, then the net addition to the company's 2P Reserves since the acquisition of its participating interest in the Anasuria Cluster is 6.7 MMbbls.

Operational performance of North Sabah fields since taking-over operatorship of this asset as well as for the prior 15 months.

Metric	**Unit**	**FY2018**				**FY2017**	
		Apr - Jun 2018[1]	**Jan - Mar 2018**	**Oct – Dec 2017**	**Jul – Sep 2017**	**Apr – Jun 2017**	**Jan – Mar 2017**
Av. uptime	%	96	96	93	88	92	95
Av. gross oil production	bbl/day	15,954	15,167	14,866	14,048	14,614	14,992
Av. net oil production	bbl/day	5,903	5,710	5,500	5,198	5,407	5,547
Total oil sold	bbls	623,544	287,019	586,657	287,850	593,086	587,228
Av. realised oil price[2,3]	USD/bbl	73.26	71.44	67.2	55.8	56.93	59.41

Av. OPEX/bbl (unit production cost)	USD/bbl	8.15	12.92	18.5	15.25	11.75	10.81

Reserves and resource estimates for SEA Hibiscus' entitlement in the North Sabah PSC

	Units	Net
Remaining Reserves (2P)[4]	MMstb	15.1
Contigent Resources (2C)[5]	MMstb	29.2

Notes:
[1] Figures are provisional and may change subject to the PSC Statement audit for the period April to June 2018.
[2] For quarterly periods between January 2017 to March 2018, the average realised oil price is the weighted average price of all the Labuan crude sales from various parties during the quarter.
[3] For April to June 2018, the average realised oil price represents the weighted average price of all Labuan crude sales from SEA Hibiscus.
[4] Based on SEA Hibiscus' net entitlement, as reported in the Annual Review of Petroleum Resources (ARPR) as of 1 January 2018 for the PSC life.
[5] Based on SEA Hibiscus' net entitlement, derived by independent technical valuer, RISC Operations Pty Ltd, as of 1 January 2018 for the PSC life.
MMstb – million stock tank barrel.

Operational risk assessments conducted jointly by Shell and SEA Hibiscus determined that SEA Hibiscus was ready to fully operate the asset, effective 31 March 2018. Thus, on 2 April 2018, Hibiscus announced the completion of the North Sabah PSC transaction.

Since Hibiscus took over the operatorship of the North Sabah PSC, the asset has demonstrated a relatively high average uptime, peaking at 96%. The company is also encouraged that the average daily oil production rate has been gradually increasing over the course of FY2018. Average OPEX/boe has also been demonstrating a decreasing trend.

Production Licence P.198, UK Central North Sea:

Hibiscus recently concluded a strategic 50% acquisition of participating interests in new discovered oilfields offshore in the UK. The stake in Production Licence No. P.198 Blocks 15/13a and 15/13b increases the company's aggregate contingent oil resources to 68.5 million barrels, advancing it further towards achievement of our target of producing 20,000 barrels of oil per day and 100 million barrels of proven and probable oil reserves by 2021. The blocks consist of two discovered oil fields with a total of 30 MMbbl of net 2C Resources.

VIC/L31 and VIC/P57, Australia:

As operator of the West Seahorse field with proven and probable reserves under the VIC/L31 production licence, as well as the additional exploration opportunities under the VIC/P57 exploration licence, Australia holds significant potential for Hibiscus' future development plans.

Financial Performance

For the current twelve-month period, i.e. FY2018, Hibiscus posted revenue of RM394.3 million (USD93.8 million), up from RM261.3 million (USD61.18 million) achieved in the corresponding twelve-month period in the previous financial year ended 30 June 2017 (FY2017). Hibiscus achieved profit after taxation of RM203.7 million (USD48.48 million) in FY2018 compared to RM106.1 million (USD25.25 million) in FY2017.

Hibiscus completed the acquisition of 50% participating interests in the North Sabah PSC on 31 March 2018 ("Completion Date"). This acquisition together with the performance of the Anasuria Cluster were the main drivers of Hibiscus' financial performance.

From Completion Date to 30 June 2018, the North Sabah PSC contributed RM181.9 million (USD43.29 million) to revenue and RM96.9 million (USD23.06 million) to gross profit from the sale of crude oil. From this segment, 623,544 barrels of crude oil were sold in two cargoes, at an average realised price of USD73.26/bbl.

Hibiscus' financial performance over the last five financial years/periods.

Statutory Financial Year/Period End	30 Jun 2018	30 Jun 2017	30 Jun 2016	30 Jun 2015	31 Dec 2013
No. of months	12 months	12 months	12 months	18 months	9 months
Activity	Production (Mature Fields) Centric			Exploration Centric	
Revenue (RM million)	394.3	261.3	81.7	15.6	13.3
EBITDA/(LBITDA) (RM million)	334.1	156.5	(17.2)	(67.0)	13.9
PAT/(LAT) (RM million)	203.7	106.1	(60.0)	(74.2)	12.1
Net asset per Share (RM)	0.63	0.51	0.45	0.55	0.73
Debt (RM million)	-	-	-	-	-

The acquisition of the North Sabah PSC has added significant scale to Hibiscus' operations. It has enlarged its portfolio of development and production assets and more importantly, it has provided a second positive cash flow stream after the Anasuria Cluster. This additional asset has also increased the company's capabilities and widened its geographical footprint to now cover the United Kingdom, Australia and Malaysia.

On 14 December 2018, Hibiscus' share price closed at MYR1.03 with a market capitalisation of USD391.04 million (MYR/USD = 0.23904).

Regalis Petroleum Limited

- Oil, Republic of Chad
- 12.66% equity interest

Polo's interest in the private and independent oil and gas company, Regalis Petroleum Limited ("Regalis") increased to 13.67% following an in-specie distribution by Polo's 42% owned associate, Signet Petroleum Nigeria Limited and transfers from other Signet shareholders.

Regalis has interests in three highly prospective onshore exploration blocks in the Republic of Chad. Regalis completed a 5,349 kilometre airborne gravity/magnetic survey over Blocks DOA and WD2-2008 which are on trend with existing and recent Glencore/Caracal discoveries.

However, Polo has recorded an impairment charge of USD14.8 million in the previous financial year on the carrying value of its investment in Regalis as no further progress has been made by Regalis in pursuing its exploration strategy.

Coal

GCM Resources Plc (AIM: GCM)

- Coal and Power Project, Bangladesh
- 17.83% equity interest

In its Annual Report 2017 GCM announced two realisations that significantly changed its direction. Firstly, working with Bangladesh-based power consultants, GCM's team realised that utilising the latest highly energy efficient ultra-supercritical power plant technology the Phulbari coal mine is capable of supporting up to 6,000MW power generation. Previously it believed the mine would support 4,000MW but this was based on earlier studies which incorporated subcritical boiler technology with lower energy efficiency. This increase of 2,000MW (50%) for the same annual thermal coal production is a huge value add for the Phulbari Coal and Power Project ("the Project"), given the Government of Bangladesh ("Government) aims to deliver a major step-jump in the Country's electricity generation. This led GCM's management team to a second realisation being it needed to shift strategic focus from pursuing approval of the coal mine's Scheme of Development to pursuing approval of an integrated coal mine and power plant development delivering 6,000MW in line with the need of the Government and people of Bangladesh for large-scale affordable electricity. As a measure of this need, the Government is targeting an increase in power generation from some 12,000MW currently to 57,000MW by 2041, with 70% of the power from gas and coal.

GCM has made solid progress towards securing potential development partners for the 6,000MW with most or all power plants planned to be located at the mine-mouth to maximise synergy with mine development and minimise costly coal handling and transport requirements. In this way GCM believes it will become the cheapest and most reliable electricity provider in Bangladesh.

Working under an MOU with world renowned China Gezhouba Group International Engineering Co Limited ("CGGC"), CGGC delivered in July 2017 a technical pre-feasibility study for a 2,000MW power plant located at the mine site. Subsequently CGGC and GCM agreed a Contract Framework Agreement and a Joint Development Framework giving CGGC the exclusive right for the engineering, procurement, construction, and commissioning of the proposed power plant.

Throughout 2018 GCM has also been in discussion with Power Constructions Corporation of China Ltd ("PowerChina") which is a state-owned key enterprise of People's Republic of China and a world-leading integrated engineering construction group.

Post the Reporting Period:

In November 2018 PowerChina delivered a technical prefeasibility study for mine mouth power plants generating the remaining 4,000MW necessary to consume the Phulbari coal mine's planned full thermal coal production. Significantly the PowerChina report included due diligence that independently confirmed the Phulbari coal mine's capability of supporting 6,000MW.

Immediately following delivery of the power plant technical prefeasibility study, GCM and PowerChina signed an MOU setting out the steps towards a future Joint Development Agreement, obtaining approval from the Government of Bangladesh and subsequent development of both the mine and power plants (4,000MW PowerChina with 2,000MW being covered in the separate agreement with CGGC). The MOU also states intention that equity holdings of the coal mine and power plants shall be agreed in the future Joint Development Agreement and targets submitting a formal proposal to the new Government of Bangladesh early in 2019. Although PowerChina has expressed its interest to participate in coal mine development, GCM is still considering other potential partners with specific coal mine development experience.

Funding arrangements:

GCM announced in November 2017 that it had successfully raised £2 million (£1.8 million net of costs) at 34.4p per New Ordinary Share in an institutionally underwritten Offer. This resulted in a total of 5,813,953 New Ordinary Shares being allotted to satisfy the Offer which means the Company will have 88,175,650 ordinary shares of 10p each in issue. No Ordinary Shares are held in treasury.

GCM announced in November 2018 that it had secured a £1.2 million increase to its existing short-term loan facility of £1.1 million with Polo Resources Limited bringing the total loan facility to £2.3 million. The original £1.1 million has already been utilised and this latest amount will be drawn down in equal quarterly instalments of £300,000 and will be used in progressing joint venture arrangements with development partners and preparation of a joint submission to the Government of Bangladesh.

On 14 December 2018, GCM's share price closed at GBP0.2375 with a market capitalisation of USD29.46 million (GBP/USD = 1.26416).

Universal Coal Resources Pte Ltd

- Coal Project, Indonesia
- Redeemable convertible note

In May 2016, Polo's subsidiary, PIL, entered into a secured SGD5 million (USD3.79 million) nominal value 15% redeemable convertible note ("Note") with Universal Coal Resources Pte Ltd ("Universal").

Universal is incorporated in Singapore and itself had entered into a conditional agreement to acquire an indirect 75% interest in PT Transcoal Minergy Coal Project ("TCM"), a company incorporated in Indonesia, from a Pan Asia Corporation Ltd. (ASX: PZC) subsidiary.

Universal was targeting a Singapore Stock Exchange Catalist Board listing and the Note entitles Polo to convert the principal outstanding plus any accrued interest into not less than 20% of the share capital of Universal as enlarged by such a conversion at any time up to 18 months from draw-down, or earlier upon the receipt of approval in principle to list. The Note is repayable 18 months from draw-down unless previously converted.

Pursuant to the terms of the Note, a key action for Universal was to obtain approval from Pan Asia's shareholders for the disposal of TCM to Universal within three months from the date of the Note. As at the date hereof, this approval has not been obtained and a default of the terms of the Note remains. PIL has served notice on Universal and the parties who provided security, namely PZC and Mr. Boelio Muliadi, and is currently in discussions with them on a without prejudice basis for an amicable resolution, in parallel with PZC's endeavours to dispose TCM to an investor.

PZC announced that it is progressing the potential cash sale of its interests in TCM and that Polo will be repaid from the proceeds of sale. The transaction is still subject to certain conditions precedent including due diligence, approval from PZC shareholders and any approvals required from regulatory and other bodies. The due diligence period has been extended to 31 March 2018.

TCM Coal Project:

TCM is the owner of a Production Operation Mining Business Licence for a mining concession in South Kalimantan Province, Indonesia. Their focus is the development of a two million tonnes per annum underground mine delivering a high quality Bituminous Coal saleable product of some 6,200 kcal/kg specific energy (GAR – Gross as Received). The current JORC Resource of 129 Mt (measured, indicated and inferred) has been derived from the southern area of the concession and there is potential to upgrade and increase the resource base through drilling the northern area.

TCM's production permit extends to April 2028. Further drilling and a full final feasibility study are required to be completed and forestry approval obtained prior to commencement of mine development. The TCM Coal Project will utilise existing coal transportation infrastructure including a 50 kilometre haul road to the river port at Batulicin, a major coal shipping centre.

Phosphate

Celamin Holdings NL (ASX: CNL)

- Phosphate, Tunisia
- 20.53% equity interest

Celamin continues to focus on restitution of its interest in Chaketma Phosphates SA ("CPSA"), the operating company responsible for development of the Chaketma Project. The Chaketma Project is a potential large scale phosphate development asset, which comprises six prospects over a total area of $56km^2$. It hosts a total JORC compliant Inferred Resource of 130Mt at 20.5% P_2O_5, confirmed from drilling at only two of the project's six prospects.

On 3 July 2018, the company appointed Simon Eley as Chief Executive Officer. Simon has been tasked with leading the recovery of the Chaketma Phosphate Project following the arbitration success announced in December 2017, the engagement of a local partner in Tunisia and the review and acquisition of new project opportunities. Simon replaces Tim Markwell, who served as Acting CEO since January 2018. Tim remains as a Non-Executive Director of the company.

In relation to the dispute between its wholly owned subsidiary Celamin Limited and its joint venture partner TMS in relation to the fraudulent purported transfer to TMS of Celamin's 51% interest in the joint venture company CPSA, the consolidated entity will continue to pursue all available legal and other avenues in order to secure the preservation and recognition of Celamin's rights, including restitution of its shares in CPSA and compensation for damages suffered.

The full details of the background of the dispute can be found at www.celaminnl.com.au and the Celamin's Annual Report for the year ended 30 June 2018.

Celamin also continues to review other new opportunities in Tunisia consistent with its strategy to build a portfolio of resource assets to add shareholder value.

Funding arrangements:

In July 2017, Celamin successfully raised AUD1,050,000 (USD0.810 million) through a share placement to its major shareholders, Polo and African Lion 3 Fund, and clients of Patersons Securities Limited.

On 10 January 2018, the company secured a capital raising of AUD1,551,750 (USD1,133,452) to provide funding to pursue enforcement of the Final Award for recovery of its interest in Chaketma Phosphate, other legal actions in Tunisia, and for general working capital purposes. Under the placement agreement, Polo acquired a further 1,320,000,000 ordinary shares in Celamin for a total consideration of AUD330,000 (USD237,025).

On 4 June 2018, the company completed a consolidation of its issued capital on a one for one-hundred basis. The consolidation was approved by shareholders at the company's Annual General Meeting held on 28 May 2018. On 15 June 2018, the suspension of trading in the securities of the company was lifted.

Post the Reporting Period:

On 8 October 2018, Celamin announced a partially underwritten SPP Offer to raise up to AUD673,005 (USD491,966). The company also announced a Bonus Options Offer to be made to shareholders on a 1 for 2 basis, and a Placement Offer to sophisticated, institutional or professional investors to raise up to a further AUD250,000 (USD182,696).

The capital raised under the SPP Offer and the Placement Offer will be used to fund ongoing legal proceedings for recovery of Celamin's interest in the Chaketma Project, exploration programs on Celamin's new exploration permits in Tunisia prospective for zinc and lead, working capital and costs associated with the Offers.

On 14 November 2018, Celamin announced that the Top Up Placement ("TUP") as contemplated by Celamin's Prospectus lodged with ASIC and ASX on 15 October 2018 successfully raised AUD336,502 (USD242,975), before costs, through the issue of 13,460,090 new fully-paid ordinary shares in Celamin at the same price per share as the SPP Offer that closed on 7 November 2018 (refer to CNL ASX Release dated 9 November 2018). Polo's interest in CNL following the SPP Offer and subsequent TUP stands at 26,214,915 shares representing 20.53% of CNL's Fully Paid Ordinary Shares. Under the terms of the Bonus Options Offer, Polo is eligible to receive 12,394,628 CNL Share Options representing 19.44% of the total Options issued.

Tunisian Zinc Permits Granted

In July 2018, Celamin was granted two new exploration permits in Tunisia prospective for Zinc and Lead. The Djebba and Zeflana permits cover 32 kilometres in the Atlas Zinc-Lead Province that runs through the north of the country.

Since the grant of the exploration permits, Celamin has acquired the report on the mining study completed in 1989 by Montreal-based consultancy, Le Groupe SIDAM-Minorex, for the Office National des Mines ("ONM") in Tunisia and engaged CSA Global to review this study to enable announcement of the historical resource estimate.

The mining study, titled "Etude de faisabilité preliminaire de l'exploitation du gite plomb-zincifere de Djebba" (Pre-feasibility study on mining the Djebba Zinc-Lead deposit) documents historical resource estimates and mining studies for the deposit completed in the period 1986-89. The study was based on drilling completed by ONM at the historical Djebba mine site which was used to estimate and report the historical resource of 2.7 Mt at 6.1% Zn and 3.3% Pb[1].

Better results from the historical ONM drilling include:

- S-30bis 16.6m at 8.36% Zn & 1.8% Pb from 66.1m
- MDJ2 10.45m at 17.52% Zn & 1.57% Pb from 21.85m
- MDJ7 8.55m at 9.55% Zn & 0.81% Pb from 32.85m

Celamin cautions that this resource estimate is a historical estimate and was not reported in accordance with the JORC Code. A Competent Person has not done sufficient work to classify the historical estimate as a Mineral Resource and/or Ore Reserve in accordance with the JORC Code and it is uncertain that following evaluation and/or further exploration work that the historical estimate will be able to be reported as a Mineral Resource or Ore Reserve in accordance with the JORC Code.

ASX Listing Rule 5.12 specifies the additional information that must be provided in a market announcement that contains historical estimates. This information is contained in the Annexure to Celamin's 31 October 2018 Release together with further details on the historic mineral resource estimate.

Reporting of the historical estimate is considered material as it provides an indication of the presence of potentially economic mineralisation on the property. Although it can only be considered a qualitative indication at this time, it provides an indication of the prospectivity of the area and supports investment in further exploration.

Subsequent to the 1989 study, additional drilling and other exploration work was completed at Djebba by ONM (1992), ONM-Metallgesellschaft (1993-94), VSX-listed Consolidated Global

Minerals Ltd (2001-04), and AIM-listed Maghreb Minerals (2002-2008). Celamin is in the process of acquiring, compiling, and assessing the available data and reports for this subsequent work.

Celamin will now focus on validation of the historical resource based on confirmatory drilling and target generation work to define new targets for drill testing as this style of mineralisation can be extensive and form large deposits.

This is a very encouraging outcome and one that underpins Celamin's continued presence in Tunisia. While Celamin awaits the return of its interest in Chaketma, the company will concentrate on completing the confirmatory work required on the resource as well as target generation on both the Djebba and Zeflana projects.

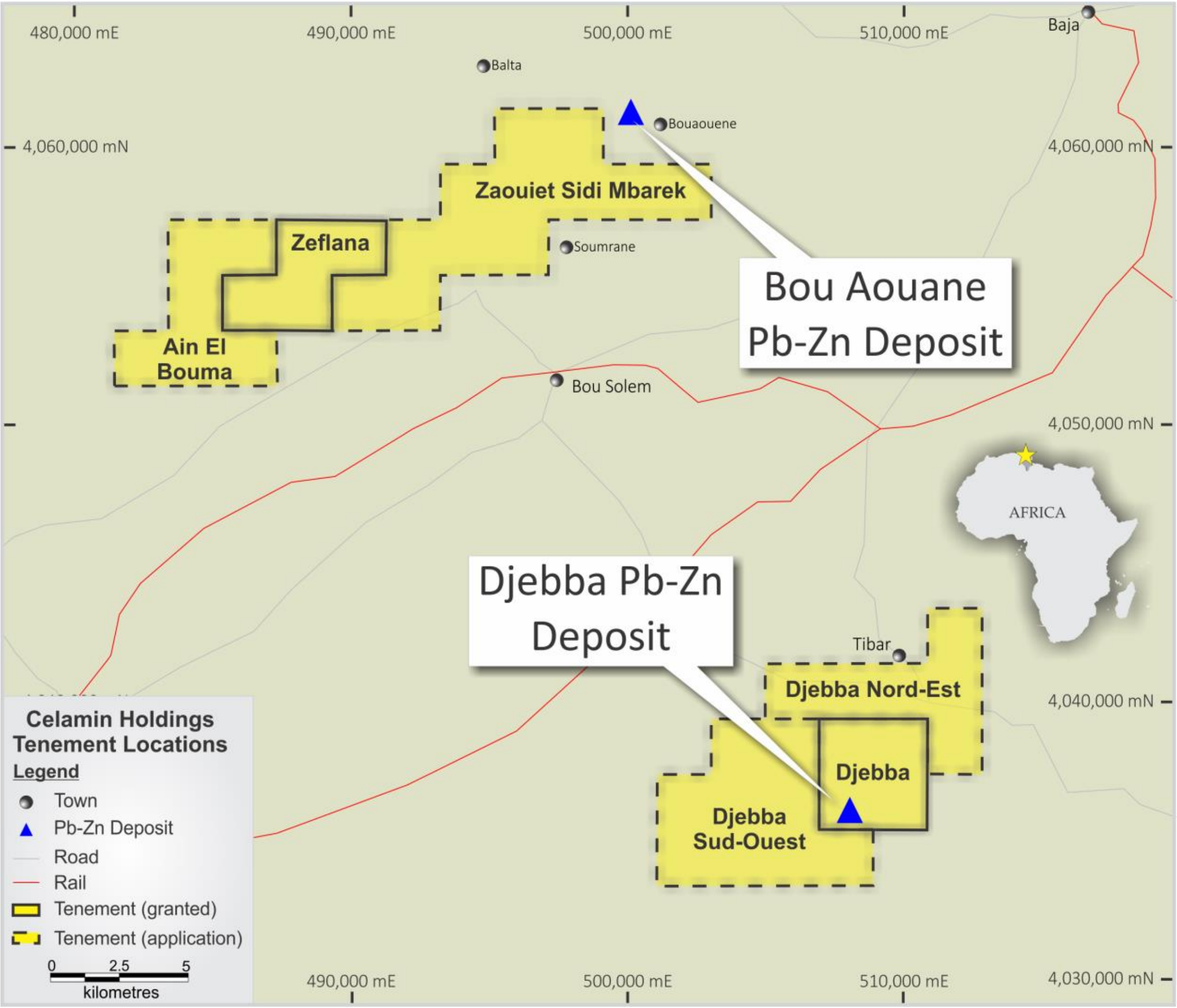

Figure 1. Location of granted permits, Djebba and Zeflana and recent applications

Planned Work Programme

Celamin is in the process of acquiring, compiling, and assessing all the available historical data. A full assessment will not be possible until all data has been obtained, and a detailed planned work program will be formulated at that time.

Celamin is focused on exploration of the Djebba trend, not just the historical resource area. Celamin will bring an exploration model to bear that is based on work completed in Tunisia in the 2000s by CSA Global Ltd based on targeting deposits in Neogene basins in northern Tunisia. This setting has many analogies with the Himalayan foreland in Yunnan that hosts the giant Jinding deposit.

The Djebba work program is therefore expected to be two-pronged, with validation of the historical resource based on confirmatory drilling, and target generation work to define new targets for drill testing. The latter is expected to include geological mapping, geochemical and geophysical surveys.

The extent of the actual work programs and the amount of drilling completed will be subject to market conditions and funding for the proposed programs.

As noted in figure 1, Celamin has lodged applications for larger permits covering the geological trends of both the Djebba and Zeflana permits. The applications areas are expected to improve the possibility of delineating extensions to the mineralisation at both locations.

For further information on the Djebba and Zeflana permits, including past ownership and historical data, please refer to ASX releases 17 July 2018 and 31 October 2018 which can be found at http://www.celaminnl.com.au/.

On 14 December 2018, Celamin's share price closed at AUD0.028 with a market capitalisation of USD2.58 million (AUD/USD = 0.72279).

[1] Celamin cautions that this resource estimate is a historical estimate and was not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimate as a mineral resource and/or reserve in accordance with the JORC Code and it is uncertain that following evaluation and/or further exploration work that the historical estimate will be able to be reported as a mineral resource or ore reserve in accordance with the JORC Code.

Lithium, Iron, Vanadium and Precious Metals

PRISM Diversified Ltd (formerly Ironstone Resources)

- Lithium, Iron, Vanadium and Precious Metals, Canada
- 19.5% equity interest

With development starting in 2007 under Ironstone Resources' tutelage, the Clear Hills Project will serve as the locus for the long-term production of iron, vanadium, lithium and aggregate products to support the growing demand in the aerospace and automotive industries for high-purity iron powder products, and vanadium and lithium electric metals to meet the demands of renewable energy storage projects.

Production of Lithium Carbonate from lithium-rich formation brines

In early 2018, Ironstone Resources was renamed to PRISM Diversified Ltd. to mark the company's entry into its commercialization stage of development.

Through three diamond core drilling programs, a resource of 557 million tonnes of mineralized material has been defined (182 million tonnes contained iron and 2.45 billion pounds of contained vanadium pentoxide), with the results reported in a NI 43-101 technical resource report (July 2012) released by SRK Consulting (Canada) Inc. on behalf of Ironstone Resources.

In early 2017, PRISM determined that its iron deposit would be amenable for the production of *carbonyl iron powder* using a commercially-proven process, with secondary recovery of vanadium and possibly cobalt.

Lithium-rich brines in Devonian-age oil and gas reservoirs underlie PRISM's Clear Hills permits supported by several regional studies and government reports. The company is currently evaluating the formation brines to determine the most effective method to extract, concentrate and refine the lithium into battery-grade lithium carbonate for use in rechargeable batteries for electric automobiles and consumer products. PRISM has aligned itself with a Canadian water processing company with expertise in the rapid and real-time extraction of impurities from water including minerals such as lithium.

After successful preliminary tests revealed the efficient concentration of lithium from a reservoir brine sample on PRISM's permit using the leading-edge patented technology, the company quadrupled its permit-holdings in the Peace Region and now hold a 100% undivided interest in 1.91 million acres (776,322 hectares), the largest contiguous block of metallic and industrial mineral permits held in Alberta today.

In conjunction with HATCH Associates, the company conducted an extensive research and development program to fine-tune and scale a novel process – dubbed as the *HICS Process* – for upgrading oolitic ironstone into high-grade iron metallics to be sold as alternative iron units into the US steel industry or to support steel production in western Canada. Further commercialisation work will be conducted after carbonyl iron powder operations commence, anticipated in 2020.

The overlying overburden is comprised of bentonite-rich expandable clays for potential use in the production of light-weight expandable clay aggregates (LECA), or which can be manufactured into a variety of environmentally-friendly building and road construction products.

The Clear Hills Project is situated in the heart of Peace Country, 200 kms north of the city of Grande Prairie in northwestern Alberta. The region hosts a near-surface polymetallic iron-vanadium deposit that extends along the eastern flanks of the Clear Hills.

Investment Update

Through implementation of PRISM’s price protection mechanism in the latter half of 2017, Polo’s interest is currently 19.5%.

Gold

Blackham Resources Limited (ASX: BLK)

- Gold, Western Australia
- Coal, Southwest Australia
- Combined direct and indirect 1.53% equity interest (diluted following a rights issue)

The Matilda-Wiluna Gold Operation (‘Operation’) is located in Australia’s largest gold belt which stretches from Norseman to Wiluna and passes through Kalgoorlie and Leinster. Over the last seven years, Blackham has consolidated the entire Wiluna Goldfield within one tenement package covering over 1,100km^2. This consolidated tenement package has historically produced over 4.4 million ounces. In October 2016, Blackham produced first gold from the Operation.

Production

Gold production in the financial year was 70,565oz, with demonstrably stronger performance for the six months to 30 June 2018. The second half of the year saw a 31% increase in production on the previous half. This was driven by lower open pit mining strip ratios, higher mill grade and continuous improvements made by the processing team to the plant. Mill throughput improved in each successive quarter of FY18 with record throughput achieved in the Jun’18 quarter (535kt milled).

Mining during the six months to December 2017 involved extensive stripping, enabling access to higher grade zones in the M4 and Galaxy pits during the second half of the year. In the six months to December 2017, geotechnical incidents and related mine sequencing issues experienced resulted in a high proportion of mill feed from low grade stockpiles (454,000t at 0.7g/t). This compared to low grade stockpile feed of only 24,000t at 0.7g/t in the second half of the year.

The successful move in November 2017 to an owner operator with predominately air leg mining method has significantly de-risked mining of the Golden Age Underground orebody. The air leg mining method is considered a lower-risk method and has resulted in lower tonnes being mined at a higher grade. Golden Age has consistently generated cash and is forecast to continue to do so.

Production, Cost and Capital Guidance for FY19

Production guidance for FY2019 is 77k-89koz at an AISC of AUD1,250-AUD1,450/oz. FY2019 AISC is expected to be higher than Life of Mine AISC, particularly in the September quarter, due to the investment required to strip new mining areas in the Matilda Mine, increase stockpiles and to maintain a high mill throughput.

Exploration and Resource Definition Drilling

During the year, Blackham completed several projects aimed at increasing its gold reserves and ongoing exploration drilling targeted at new oxide deposits to extend the current free milling mine life. Reserves at 30 June 2018 are currently being re-estimated and will be published imminently.

In the six months to June 2018, Blackham's exploration team concentrated on further delineating free-milling open pit reserves over the 4km strike at the Wiluna mine. Blackham believes the Wiluna free-milling material is an attractive feed stock for the current operating mill and has fast tracked mining approvals to access these mining areas in FY2019.

The Lake Way drill programme was completed in the June 2018 quarter and is aligned with Blackham's strategy to extend the free milling life to five years. Results from the RC and diamond drilling programmes confirm extensions to shallow high grade mineralisation south of the planned pit cutback.

Blackham remains focused on extending the life of the Golden Age underground in line with the recent exploration success close to existing mine access. Results released in June 2018 identified high grade extensions at Golden Age, confirming that mineralisation is open both down plunge and down dip and future mining is planned to increasingly target the extensions defined from this drilling.

Wiluna Expansion Study

The Expansion Preliminary Feasibility Study ("Expansion PFS") published on 30 August 2017, confirmed the robust economics for a +200kozpa long mine life operation. Key outcomes were life-of-mine AISC of AUD1,058/oz, IRR 123% and NPV8 of AUD360m before tax at an AUD1,600/oz gold price.

The Expansion Definitive Feasibility Study ("DFS) is well advanced with the bulk of expenditure already incurred. Processing optimisation studies continue with a view to further de-risking the expansion opportunity. Work over the June 2017 quarter focused on improvements to the floatation circuit. Wiluna oxide/transition open pit mining is expected to commence in the first quarter of this year, further de-risking the geology and mining risks prior to committing further capital to the sulphide processing plant.

Resources and Reserves

Post reporting period, Blackham announced an increased Ore Reserve estimate for the Operation of 26Mt at 1.8g/t for 1.53Moz of gold as at 30 June 2018. Blackham continues to progressively assess the Operation's Resource base total of 96Mt at 2.2g/t for 6.7Moz (58% Indicated), with further conversion expected into reserves. There are currently 3.2Moz at 4.6g/t Au in underground resources sitting outside of Reserves.

Results
The loss after tax for the financial year was AUD20,027,000 (USD14,482,421) (2017: AUD6,844,000 (USD4,949,206)). Net assets at the end of the year were AUD103,126,000 (USD74,578,303) (2017: AUD86,325,000 (USD62,489,358)).

Equity Placements
On 19 February 2018, Blackham announced that it had raised gross proceeds of AUD35.9 million (USD26 million) through a placement of 898 million shares at a price of AUD0.04 per share.

Other equity financing
The Australian Special Opportunity Fund facility was terminated on 17 January 2018. A total of AUD2.4 million (USD1.74 million) was drawn down over the term of the facility.

Debt financing
Blackham refinanced its non-amortising term loan with Orion Fund JV Limited ("Orion"), via a new, secured AUD14.3 million (USD10.44 million) financing arrangement with its key mining contractor, MACA Limited.

The Orion Term Loan was fully repaid in February 2018. The company has a separate fully drawn Project Financing Facility of AUD23 million (USD16.52 million) that remains in place with Orion, which was reduced to AUD15.5 million (USD11.27 million) by 30 June 2018.

Events subsequent to reporting date:

Convertible Security Funding Agreement

On 25 September 2018, Blackham announced the execution of an agreement with an entity managed by The Lind Partners ("Lind"), a New York based institutional fund manager, for up to AUD23 million (USD16.52 million) in total capital. The initial funding commitment of AUD7.5 million (USD5.42 million) is to be funded within 20 business days of execution.

Lind's initial AUD7.5 million (USD5.42 million) investment will be provided as a Secured Convertible Note with a 24 month term, the proceeds of which will be used, along with Blackham's current cash, to fully repay the short term secured debt owed to Orion Fund JV Limited. With the Orion debt fully repaid, Blackham will be able to re-direct operational cash flows to expand its reserves and finalise the Wiluna Expansion DFS.

Controlled Placement Agreement

During July 2018, Blackham entered into a Controlled Placement Agreement ("CPA") with Acuity Capital. The CPA provides Blackham with up to AUD10 million (USD7.29 million) of standby equity capital over the coming 27 month period. Importantly, Blackham retains full control of all aspects of the placement process, having sole discretion as to whether or not to utilise the CPA, the quantum of shares issued, the minimum issue price of shares and the timing of each placement tranche (if any). There are no requirements on Blackham to utilise the CPA and Blackham may terminate the CPA at any time, without cost or penalty. If Blackham does decide to utilise the CPA, Blackham is able to set a floor price (at its sole discretion) and the final issue price will be calculated as the greater of that floor price set by Blackham and a 10% discount to a Volume Weighted Average Price over a period of Blackham's choosing (again at the sole discretion of Blackham).

On 14 December 2018, Blackham's share price closed at AUD0.042 with a market capitalisation of USD40.76 million (AUD/USD = 0.72279).

Nimini Holdings Limited

- Gold Project, Sierra Leone
- Equity interest: 90% Polo Resources and 10% Plinian Capital

Polo's Annual Report 2017 explained that given the lack of progress in negotiating an acceptable Mine Development Agreement ("MDA") with the Government of Sierra Leone ('GoSL") for Nimini's Komahun Gold Project (the "Nimini Project") it was forced to take a hardline approach to minimise costs which included suspending payment of all government fees. Furthermore, as Sierra Leone was heading to a General Election on 7 March 2018 it was felt the best chance of obtaining an acceptable MDA would come post the election with a new President, Parliament and local councils in place.

Unfortunately, despite the considerable lobbying efforts by our in-country representative who is a Director of our local subsidiary Nimini Mining Limited, the Nimini Project's mining licence was cancelled at the end of August 2018. This came a month after a blanket move by the GoSL cancelling over 30 mining licences at which time the GoSL cited it was facing serious revenue generation challenges. Its main revenue stream historically has come from the mining sector but it found many mining companies had either left or suspended operations. Ironically GoSL's logic in cancelling these mining leases was that it would create opportunities for other potential investors in its fledgling mining industry.

Polo is both disappointed and perplexed by the GoSL's action in cancelling the Nimini Project's mining licence and has written to the President and the Minister of Mines and Mineral Resources appealing for the decision to be reversed. The Cancellation Letter was directed at the non-payment of fees and lack of mine development and paid no attention to Polo's significant investment in the Nimini Project, the fact that it remains in the best position to develop the Nimini Project having done mining studies based on a very significant geological database and the fact that it was the GoSL itself that acknowledged the need for an MDA to assist Nimini develop the Komahun Gold Project. This is witnessed by the exhaustively negotiated MDA agreement of 2013, signed off by the then Minister of Mines and Mineral Resources but subsequently withdrawn as it was poised to be ratified by parliament and by the fact it was the GoSL that invited Nimini to renegotiate the MDA in 2015. After these negotiations failed on several subsequent occasions the GoSL continued to invite Nimini for discussions regarding the MDA, with the most recent being instigated by the Chief of Staff (State House) instigating a meeting between Nimini and the GoSL's Chief Negotiator on 19th of June 2017.

While Polo awaits the outcome of its appeal against the mining licence cancellation it has pointed out to the GoSL that Nimini and Polo reserve their rights to full reimbursement of all costs expended on the Komahun Gold Project and reserve their rights to benefit from any future cashflows over the entire productive life of the Komahun Gold Project.

Faced with the mounting risks and uncertainty surrounding development of the Nimini Project, Polo began recording impairments on the carrying value of its investment which at this point is USD3 million now based solely on the value of the very considerable Nimini Project database.

Copper

Weatherly International Plc (AIM; WTI)

- Copper, Namibia
- 5.2% equity interest

Weatherly International has restarted the process of reviewing its strategic options following the appointment of Simon Kirkhope and Andrew Johnson of FTI Consulting as joint administrators of the company in June 2018. This follows the implementation of a recovery plan for its Tschudi copper mine in Namibia, following significant water ingress in May 2018. Since the appointment of the joint administrators in June, there have been material improvements to the dewatering capabilities and a strategy enabling stable path to growth has been implemented.

The strategic review process is being led by financial advisors Numis and Treadstone, and the scope of the options being considered by Weatherly include, but are not limited to, the sale of certain subsidiaries of Weatherly, or the disposal of certain assets of the company.

Weatherly has a diverse portfolio of base metal production and development assets with multiple low capital spend growth opportunities. These include the Tschudi Mine, the Otjihase and Matchless mines (together, "Central Operations") which were placed on care and maintenance in September 2015 and the Berg Aukas project in Namibia. Key highlights of Weatherly's main assets are provided below.

Tschudi

- Producing copper mine located in Tsumeb, northern Namibia
- Currently running at 17ktpa (the SX-EW plant's minimum design capacity)
- Ore Reserves[1] of 15.6Mt at 0.89% Cu for 138.2kt and Mineral Resources[1] of 51.0Mt at 0.76% Cu for 387.7kt
- Materially improved dewatering capabilities and strategy enabling stable path to growth
- Strong Resource base could support further production enabling potential mine life extensions
- Underexplored project area
- Modern processing facilities and robust infrastructure base

Central Operations

- Three underground mines and an 800ktpa copper concentrator, currently on care and maintenance
- The operations were in production until September 2015, producing high quality concentrate sought after for blending
- Mineral Resources[2] of 4.40Mt at 2.27% Cu for 99.7kt (Otjihase) and 1.34Mt @ 2.40% for 31.8Kt (Matchless)
- Otjihase and Matchless mines represent a significant low capital intensity restart opportunity with substantial cash flow enhancing opportunities including:
    - Capital realisation through optimised design
    - Improvement of exploration target through expansion and access to neigbouring compartments
    - Backfill optimisation to increase recovery

Berg Aukas

- Past-producing zinc-lead-vanadium project located near Tsumeb, Namibia
- Shafts and access development to 800m depth

- Ore Reserves[3] of 1.69Mt at 11.16% Zn, 2.76% Pb and 0.23% V_2O_5 (Cut off 5% Zn eq) and Mineral
- Resources[3] of 1.26Mt at 15.47% Zn, 3.84% Pb and 0.33% V_2O_5 (Cut off 3.0% Zn)
- Significant value enhancing opportunities including:
    - Shaft stripping / decline addition options allowing for larger equipment and mill expansion
    - Unlocking value from metal recovery from stock of historical tailings
    - Favourable vanadium pricing environment

Notes
[1] Total as at 30 June 2017. 100% basis.
[2] 100% basis. Mineral Resource statement for the Otjihase Mine is declared in terms of the JORC Code (2012 Edition) with an effective date of 31 March 2018. Matchless estimated tonnage based on Bara polygonal calculation.
[3] As at April 2013.

Financial Review

The purpose of this review is to provide a further analysis of the Group's consolidated 2018 results and the main factors that affected this financial performance. The Financial Review should be read in conjunction with the financial statements and associated notes.

During the year, the Group recorded a loss on ordinary activities after taxation of USD7.60 million (2017: USD6.45 million). This loss was mainly attributable to a total impairment charge of USD4.0 million written down against Weatherly International Plc, Verolube Inc and Celamin Holdings Ltd.

The Group balance sheet strengthened with net assets expanded by 28% to USD60.28 million from the previous financial year (2017: USD47.22 million).

Basic loss per share for the year ended 30 June 2018 was USD2.44 cents (2017: USD2.07 cents). It should be noted that this figure is not necessarily indicative of a weakening financial performance as such variances are in the very nature of a natural resource investment company whose strategic focus extends beyond a single reporting year.

Focus sectors for our portfolio of investments in this reporting period centre largely on investments across the oil & gas, gold, and coal sectors. In the 2017/18 financial year, the Board has continued to support the on-going development of its key assets and acquired new investments.

In January 2018, Polo acquired a further 1,320,000,000 ordinary shares in Celamin for a total consideration of AUD330,000 (USD0.254 million) by way of a share placement.

During the year under review, Polo's investment in Hibiscus Petroleum Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, continued with its uptrend in the share price. As of 14 December 2018, the share price of Hibiscus closed at MYR1.03 (30 June 2017: MYR0.41).

The Board of Polo is still sensitive to the impact of current market sentiment towards junior exploration-stage resource companies and of the correction in the prices of many commodities, such as gold, copper and oil during the reporting period under review. Whilst these factors have combined to create a difficult operating environment across the board for junior resource companies, Polo's strategy of developing a broad-based portfolio of projects and investments capable of delivering positive shareholder returns has enabled the Company to retain the financial flexibility to optimise asset value over the medium and longer-terms.

Financial Position

The Directors have reviewed the Group's budgets for 2019, as well as longer-term financial cash flow projections and have considered a range of different scenarios together with their associated risks and uncertainties, and the impact of these scenarios on the Group's cash balances. Additionally, the Directors have assessed the likelihood of future funding requirements. Based on these activities, the Directors are satisfied that the Group maintains a healthy financial position from the date of the signing of these financial statements, enabling Polo to take a flexible approach to the acquisition and disposal of investments.

As at 14 December 2018, the Group had a net position of cash, receivables and short term investments of USD13.41 million (30 June 2018: USD15.02 million). Listed and unlisted investments at marked to market value, cost and valuation amounted to USD54.53 million (30 June 2018: USD52.92 million). The combined total of cash, receivables, payables, listed and unlisted investments was USD62.0 million as of 14 December 2018 (30 June 2018: USD60.28 million) which is equivalent to a Net Asset value of approximately 15.73 pence per Polo share (30 June 2018: 14.70 pence per share).

Outlook

Polo continues to investigate potential investments and will allocate financial resources to investments on the basis of anticipated future returns.

Although all natural resource investments remain vulnerable to near-term market instabilities, I remain positive about the longer-term fundamentals of the resource sector and am particularly focused on achieving near-term returns which in turn will strengthen our financial position. The Company will continue to keep shareholders advised as and when developments are confirmed.

I would like to thank all our shareholders, partners and advisers for their continuous and unwavering support.

Datuk Michael Tang, PJN
Executive Chairman

Group Statement of Comprehensive Income for the year ended 30 June 2018

	Year ended 30 June 2018 $ 000's	Year ended 30 June 2017 $ 000's
(Loss) on sale of investments	**-**	(4)
Investment income	**241**	59
Impairment of AFS investments	**(2,749)**	(325)
Administrative & Exploration expenses	**(2,291)**	(2,284)
Share options expensed	**(216)**	-
Expensed exploration costs	**-**	(454)
Impairment of exploration and evaluation costs	**-**	(2,026)
Group operating (loss)	**(5,015)**	(5,034)
Share of associates results	**(785)**	(1,799)
Impairment of associate	**(1,250)**	-
Other loan provision	**(916)**	-
Finance revenue	**370**	383
Other income	**-**	-
(Loss) before taxation	**(7,596)**	(6,450)
Income tax expense	**-**	-
Retained (loss) for the year	**(7,596)**	(6,450)
Other comprehensive income		
Gain on market value revaluation of available for sale investments	**20,334**	1,713
Currency translation differences	**107**	(559)
Other comprehensive income for the year net of taxation	**20,441**	1,154
Total comprehensive income for the year	**12,845**	(5,296)
Retained (loss) for the year attributable to:		
Equity holders of the parent	**(7,596)**	(6,202)
Non-controlling interests	**-**	(248)
	(7,596)	(6,450)
Total comprehensive income for the year attributable to:		
Equity holders of the parent	**12,867**	(5,009)
Non-controlling interests	**(22)**	(287)
	12,845	(5,296)
(Loss) per share (US cents)		
Basic	**(2.44)**	(2.07)
Diluted	**(2.44)**	(2.06)

Group Statement of Financial Position
as at 30 June 2018

	30 June 2018		30 June 2017	
	$ 000's	**$ 000's**	$ 000's	$ 000's
ASSETS				
Non-current assets				
Tangible assets	**2,475**		2,475	
Interest in associates	**2,134**		3,084	
Available for sale investments	**43,971**		27,662	
Trade and other receivables	**3,941**		3,757	
Total non-current assets		**52,521**		36,978
Current assets				
Trade and other receivables	**3,004**		3,961	
Available for sale investments	**6,816**		5,501	
Cash and cash equivalents	**1,260**		4,010	
Total current assets		**11,080**		13,472
TOTAL ASSETS		**63,601**		50,450
LIABILITIES				
Current liabilities				
Trade and other payables	**(3,320)**		(3,230)	
TOTAL LIABILITIES		**(3,320)**		(3,230)
NET ASSETS		**60,281**		47,220
EQUITY				
Equity contribution	**306,714**		306,714	
Retained earnings	**(280,215)**		(273,073)	
Available for sale investment reserve	**19,674**		(682)	
Foreign exchange reserve	**17,234**		17,127	
Share based payments reserve	**216**		454	
		63,623		50,540
Non-controlling interest		**(3,342)**		(3,320)
TOTAL EQUITY		**60,281**		47,220

These financial statements were approved by the Board of Directors on 20 December 2018 and signed on its behalf by:

Datuk Michael Tang
EXECUTIVE CHAIRMAN

Kian Meng Cheah
NON-EXECUTIVE DIRECTOR

Group Statement of Cash Flows
for the year ended 30 June 2018

	Year ended 30 June 2018 $ 000's	Year ended 30 June 2017 $ 000's
Cash flows from operating activities		
Operating (loss)	**(5,015)**	(5,034)
(Increase) in trade and other receivables	**(513)**	(1,512)
Increase/(decrease) in trade and other payables	**90**	(21)
(Increase) in available for sale investments	**(39)**	(1,608)
Foreign exchange loss/(gain)	**1**	(11)
Share options expensed	**216**	-
Impairment of AFS investments	**2,749**	325
Loss on sale of PPE	**-**	51
Depreciation & impairment	**-**	2,026
Net cash (outflow) from operating activities	**(2,511)**	(5,784)
Cash flows from investing activities		
Finance revenue	**370**	383
Equity purchases in associates	**(530)**	-
Loan (advanced) to third party	**(184)**	(154)
Net cash inflow from investing activities	**(344)**	229
Cash flows from financing activities		
Issue of ordinary share capital	**-**	-
Net cash inflow from financing activities	**-**	-
Net (decrease) in cash and cash equivalents	**(2,855)**	(5,555)
Cash and cash equivalents at beginning of year	**4,010**	9,615
Exchange gain on cash and cash equivalents	**105**	(50)
Cash and cash equivalents at end of year	**1,260**	4,010

Group Statement of Changes in Equity
for the year ended 30 June 2018

	Equity contribution	Available for sale investment reserve	Foreign currency translation reserve	Share based payment reserve	Retained earnings	Total	Non-controlling interest	Total equity
Group	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**
As at 1 July 2016	**306,714**	**(2,434)**	**17,686**	**908**	**(267,325)**	**55,549**	**(3,033)**	**52,516**
(Loss) for the year	-	-	-	-	(6,202)	**(6,202)**	**(248)**	**(6,450)**
Gain on market value revaluation of available for sale investments	-	1,752	-	-	-	**1,752**	**(39)**	**1,713**
Currency translation differences	-	-	(559)	-	-	**(559)**	**-**	**(559)**
Total comprehensive income	**-**	**1,752**	**(559)**	**-**	**(6,202)**	**(5,009)**	**(287)**	**(5,296)**
Share options expired	-	-	-	(454)	454	**-**	**-**	**-**
Total contributions by and distributions to owners of the Company	-	-	-	(454)	454	**-**	**-**	**-**
As at 30 June 2017	**306,714**	**(682)**	**17,127**	**454**	**(273,073)**	**50,540**	**(3,320)**	**47,220**
(Loss) for the year	-	-	-	-	(7,596)	**(7,596)**	**-**	**(7,596)**
Gain on market value revaluation of available for sale investments	-	20,356	-	-	-	**20,356**	**(22)**	**20,334**
Currency translation differences	-	-	107	-	-	**107**	**-**	**107**
Total comprehensive income	**-**	**20,356**	**107**	**-**	**(7,596)**	**12,867**	**(22)**	**12,845**
Share options expired	-	-	-	(454)	454	**-**	**-**	**-**
Share options charge	-	-	-	216	-	**216**	**-**	**216**
Total contributions by and distributions to owners of the Company	-	-	-	(238)	454	**216**	**-**	**216**
As at 30 June 2018	**306,714**	**19,674**	**17,234**	**216**	**(280,215)**	**63,623**	**(3,342)**	**60,281**