

22 January 2018



POLO RESOURCES LIMITED

("Polo" or the "Company")

WEATHERLY INTERNATIONAL PLC – INVESTMENT UPDATE

Polo Resources Limited (AIM: POL), the multi-sector investment company with interests in oil, gold, coal, copper, phosphate, lithium, iron and vanadium, notes that its investee company, Weatherly International Plc ("Weatherly") (AIM: WTI) has announced its update for the quarter ended 31 December 2017.

Summary

- Weatherly's current copper production comes from the Tschudi open pit operation. Its Otjihase underground mining operation remains under care and maintenance.
- Tschudi cathode production improved by 15% quarter on quarter to 4,739 tonnes, which is 11.5% above nameplate over the quarter.
- Tschudi C1 costs reduced by 16% to US\$4,551 per tonne.

Tschudi Production Performance

Production results for the quarter ended 31 December 2017

	Quarter ended Mar-17	Quarter ended Jun-17	Quarter ended Sep-17	Quarter ended Dec-17
Total (Ore + Waste) Mined (000 tonnes)	5,117	6,051	6,314	5,869
Ore Tonnes stacked (000 tonnes)	563	726	666	733
Ore Stacked grade (per cent)	0.86	0.99	0.78	0.65
Copper Cathode Produced (tonnes)	3,236	3,386	4,105	4,739
C1 Cost (US\$/t)	5,907	6,344	5,402	4,551

Tschudi production for the December quarter was 4,739 tonnes of copper cathode, or 11.5% above nameplate. This brings year to date production to 8,843 tonnes or 4% ahead of nameplate half way through the financial year (commencing July 2017). While this is a very encouraging half year result, Weatherly cautions that full year production (to end June 2018) is not expected to exceed nameplate. The main reasons being:

- Current copper production has been enhanced by relatively-fast leaching of additional oxide ore mined from an interim pit pushback but now stacking of slower-leaching mixed ore on leach pads has resumed.
- The main wet season is now approaching and some operational delays are expected. However, it is also reported that steps have been taken to reduce this impact including: completion of the heap leach pad extension enabling stacking of ore on new leach pads rather than upon previously leached ore; and the provision of healthy stockpile levels of ore that can feed the crusher if rain impacts mining.

Weatherly continues to investigate ways to increase leach rates for mixed and sulphide ore and forced aeration of some panels has commenced with the aim to increase bacterial activity in the heap.

Open pit groundwater inflows, and the costs of dealing with them, continue to increase as pit mining proceeds to greater depths, but the flow rates are being managed adequately to ensure a reliable supply of ore for stacking.

As a result of the improved production levels, Tschudi C1 unit costs have fallen to US\$4,551 per tonne. The Namibia Dollar strengthened notably in December, and this will impact US\$ costs going forward if it is sustained.

While there is no indication of ASIC (all in sustaining cost) in Weatherly's announcement, it is good news to see the downward trend in C1 costs and the upward movement in spot copper price (breaking through US\$7,000 per tonne) over the past six months.

On 12 December 2017, Weatherly announced that it had entered into an agreement to purchase the Kitumba copper development project in Zambia, subject to approval by the regulator and approval by shareholders of the vendor, Intrepid Mines Limited, at an EGM scheduled to be held on 2nd February this year.

The full details of these announcements can be found at <http://weatherlyplc.com/>.

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.

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About the Company

Polo Resources Limited is a multi-sector investment company focused on investing in undervalued companies and projects with strong fundamentals and attractive growth prospects. For complete details on Polo, please refer to: www.poloresources.com.