

24 August 2020



**POLO RESOURCES LIMITED**  
(“Polo” or the “Company”)

**HIBISCUS PETROLEUM – 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 8.75% investee company Hibiscus Petroleum Berhad (“Hibiscus”) has today released a Corporate and Business Update (the “Update”) outlining the Group’s targets and initiatives as well as operational updates in conjunction with the release of its quarterly financial results for the quarter ended 30 June 2020 (“4Q FY2020”).

In the Update, the Group stated that its asset acquisition plans have been accelerated as the outlook for the oil and gas market improves. As established exploration and production players, especially those in Europe, assess their portfolios in light of an increasing focus on the renewable energy space, Hibiscus sees acquisition opportunities for good-value and high-quality producing assets.

The Group will prioritise assets with strong production potential coupled with cost optimisation opportunities and remains committed to growing its business in its areas of geographic focus, particularly South East Asia.

In FY2020, the Group met its full year production target of 3.2 million barrels (“MMbbls”) of crude oil, while it sold 2.6 MMbbls across the North Sabah and Anasuria assets. The Group deferred two crude oil offtakes initially planned for 4Q FY2020 (“offtakes deferral”) to the quarter ending 30 September 2020 in an attempt to realise higher crude oil prices.

For its FY2020 results, the Group announced Revenue of RM646.5 million (USD154.81 million) and a Loss After Taxation of RM49.3 million (USD11.81 million). EBITDA for the year was RM213.3 million (USD51.08 million). These results were affected by the provisions for impairment of non-producing oil and gas assets amounting to RM196.3 million (USD47.01 million) and impact of the offtakes deferral.

The Group also reported an unrestricted cash balance of RM77.3 million (USD18.51 million).

Commenting on the outlook for the Group, Managing Director, Dr Kenneth Pereira, said, “The Group has previously reiterated that it is positioning itself to acquire good-value, high-quality producing assets in our areas of geographic focus. With asset values dampened due to the current oil market, we see this period as an opportunity to add to our portfolio of producing assets. For our North Sabah and Anasuria assets, we are working towards optimising our unit production costs to maintain a greater headroom between our cost base and crude oil prices.”

Note: As part of the Company’s efforts to keep stakeholders engaged with the activities of the Company and informed of its quarterly performance, Hibiscus will be releasing a webcast to present the highlights of the Fourth Quarter Results ended 30 June 2020. The webcast will be released on the Company’s website at: <https://www.hibiscuspetroleum.com/> by 8.00pm on 24 August 2020.

Hibiscus has today also announced the Reserves and Contingent Resources Reports for Anasuria Cluster and Marigold & Sunflower Field.

## Hibiscus Petroleum Group's Latest Total Reserves and Resources as at 1 July 2020:

	Group's Total Reserves and Contingent Resources	
	2P (MMbbl)	2C (MMbbl)
Malaysia - North Sabah Field <sup>1</sup>	24.6	24.1
UK - Anasuria Cluster <sup>2</sup>	21.5	2.0
UK – Marigold & Sunflower Fields <sup>3</sup>	-	24.9
UK - Crown Field <sup>4</sup>	-	4.0
Australia - VIC/L31 <sup>4</sup>	-	8.0
	<b>46.1</b>	<b>63.0</b>

*Notes:*

1. North Sabah 2P Reserves are based on SEA Hibiscus Sdn Bhd ("SEA Hibiscus")'s current estimated net entitlement, based on RISC Advisory Pty Ltd's report dated January 2019 adjusted for actual production and internally estimated incremental reserves from executed projects in 2019 and for the 6 months ended 30 June 2020. North Sabah 2C Contingent Resources are based on SEA Hibiscus' current estimated net entitlement, based on RISC Advisory Pty Ltd's report dated January 2019 less 2C contingent resources for executed projects in 2019 and for the 6 months ended 30 June 2020. These figures are pending Petroliam Nasional Berhad's review.
2. Anasuria Cluster 2P Reserves and 2C Resources are based on AHUK's interest and extracted from the Anasuria Cluster Report.
3. Marigold and Sunflower 2C Resources are based on AHUK's 50% interest and extracted from the Marigold & Sunflower Fields Report.
4. VIC/L31 and Crown 2C Contingent Resources are based on internal estimates.

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

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### About the Company

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