Polo Resources

Annual Report and Accounts
For the year ended 30 June 2017

AIM: POL
www.poloresources.com

Corporate Directory

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Investing Policy

The Company's strategy will 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. In addition, where the Company realises value from its existing portfolio of direct and indirect investments in natural resources, businesses involved in supporting, processing, related and downstream activities, it may reinvest the proceeds of these realisations in direct and indirect investments in undertakings related to natural resources and businesses involved in supporting, processing, related and downstream activities in any geographical jurisdiction.

Investments may be made in companies, partnerships, joint ventures and all types of assets including unlisted and listed equities, securities, commodities, bonds, debt instruments, royalties, options, warrants, futures and derivatives. For the purposes of efficient portfolio management, the Company may enter into hedging and foreign currency transactions. The investments may be funded wholly by cash, the issue of new shares, debt or other securities, or a mix thereof.

There will be no maximum or minimum limit on percentage of ownership or on the length of time that any investment may be held. The Company may take legal or management control of a company, partnership or joint venture from time to time though the Company does not intend thereby to become a trading entity. The Company may invest in other investment funds or vehicles, including any managed by Directors or companies associated with them, where such investment would be complementary to the Company's investing policy. There will be no fixed limits on the allocation between unlisted and listed equities or other securities, cash and/or debt. There is no limit on the number of investments which the Company may make, nor the proportion of the Company's gross assets that any investment may represent at any time. Cash held by the Company pending investment, reinvestment or distribution will be managed by the Directors as they deem appropriate.

The Directors may propose a special dividend or implement share buy-backs from time to time but the objective will be to achieve returns to shareholders through the appreciation in the value of the Company's shares rather than by means of distribution. There is no fixed term for the life of the Company.

Any change in the investing policy will only be made in accordance with AIM Rules.

Chairman's Statement

The period under review has seen an increased confidence in the sectors that Polo's investments operate. Commodity prices have been stronger and oil price has been much more stable and reached a level which has seen a considerable increase in both corporate and operational activity. The gold price has also remained strong and the consensus view is this is expected to continue in the year ahead. Those commodities that are required for greener industries (renewables and electric vehicles) are also undoubtedly in demand given the paradigm shift to a cleaner environment and a move away from "ICE" vehicles towards EVs. Whilst the focus may be on "green" there is still an undoubted requirement for "traditional" resources.

Polo's portfolio encompasses an exposure to a selection of these trends.

Portfolio Overview

Hibiscus Petroleum Berhad ("Hibiscus")
Hibiscus has successfully transformed from a cashflow negative exploration company to a cashflow positive production company through its acquisition of a 50 per cent interest in the North Sea Anasuria Cluster of oil and gas fields. The Anasuria asset has allowed Hibiscus to significantly grow its balance sheet, levels of profitability and cash reserves, operational capability, market capitalisation and institutional shareholder base. Importantly, Hibiscus has demonstrated growth at current oil prices (reporting six consecutive quarters of profitability) and is now positioned for much stronger growth as oil prices recover.

Post Polo's reporting period, in December 2017, Hibiscus announced that Petronas unconditionally consented to Hibiscus acquiring Shell's entire 50 per cent participating interest in the 2011 North Sabah Enhanced Oil Recovery Production Sharing Contract ("PSC"). This transaction is aligned with Hibiscus Petroleum's over-arching growth strategy. In the first instance, it provides Hibiscus with a producing asset, located in a safe jurisdiction, that is cashflow positive at current oil prices and also secures a second, independent cash flow stream. Hibiscus has been able to lock-in the purchase consideration of this proposed transaction at a price that it considers to be affordable. There are multiple production enhancement opportunities that have been identified which have the potential to convert a large proven and probable contingent (2C) resources base into a proven and probable (2P) reserves base. The proposed transaction comes with Operatorship and a partnership with Petronas, a reputable global player and Malaysia's national oil corporation.

In November 2016, our investee company GCM Resources Plc ("GCM") the developer of the integrated Phulbari Coal and power project, located in Bangladesh, signed a Memorandum of Understanding ("MOU") with China Gezhouba Group International Engineering Co. Ltd (CGGCINTL) a specialist engineering company. The MOU sets out the process to investigate the feasibility of a joint venture for the development of mine-mouth coal fired power plants generating up to 2,000 MW at the Phulbari mine development site. CGGC, with support by GCM's team, delivered in July this year a Technical Pre-Feasibility Study for the 2,000MW power plant.

Blackham Resources Limited ("Blackham")
Blackham has made very significant progress achieving first gold pour in October 2016 at its flagship Matilda Gold Project, having taken the Project from completion of a Definitive Feasibility Study ("DFS") in February 2016. Unfortunately, during March 2017 open pit mining operations were severely affected by above average rainfall and in the following months gold production was impacted by lower than planned mill grades and lower than expected underground ore extraction. These technical problems appear to have been resolved in the September 2017 quarter and Blackham expects a return to cashflow positive operations.

Post the Polo reporting period, on 30 August 2017, Blackham announced the successful results of the Expansion Preliminary Feasibility Study ("PFS") which aims to optimise scale of operations, targeting an annual gold production of over 200,000 ozs and delivering improved project economics. In November 2017, Blackham announced it had taken a major step towards completion of refinancing with an agreed initial AUD60M funding package with Pacific Road Capital. Extensive due diligence was carried out as part of the funding, which provides an independent verification that the project remains technically sound.

Celamin Holdings NL ("Celamin")
Celamin remains committed to pursuing a return of its interests in CPSA (the Chaketma Phosphate Project operating company) and the Chaketma Project. Post Polo's reporting period on 1 December 2017 Celamin announced a favourable arbitration decision and its local partner TMS has been ordered to return Celamin's 51 per cent shareholding in CPSA and pay damages and costs in excess of USD4 million. Celamin is also continuing with various legal actions in Tunisia including criminal proceedings and debt recovery. The Chaketma Phosphate Project is a world class asset and Celamin believes it is best placed to manage the Project to ensure that the development proceeds.

Weatherly International Plc ("Weatherly")
Although Weatherly experienced technical and financial setbacks at its Tschudi open pit heap leach SX/EW copper mine during the reporting period which resulted in copper cathode production dropping to 14,759 tonnes (13 per cent below the 17,000 tonnes per annum nameplate production) by the end of the September Quarter 2017 the operation was back on track. The rising copper price is also good news for Weatherly as it will foster a return to profitability and help it service its considerable loan with Orion Mine Finance (Master) Fund I LP. Orion is now Weatherly's largest shareholder and has rescheduled the loan repayment several times.

On 12 December 2017, Weatherly announced that it has entered into a binding agreement to purchase 100 per cent of the Kitumba copper project in Zambia from ASX-listed Intrepid Mines Limited for a total consideration of AUD5.75 million. The acquisition is still subject to certain conditions precedent, however, it does fit well with Weatherly's strategy for growth through developing and operating profitable medium-scale base metals mines in Africa.

The Kitumba project area covers over 900 square kilometres and involves four exploration licences and a mining lease. The JORC-compliant measured and indicated resource is 24.9Mt at a copper grade of 2.32 per cent containing 578,000 tonnes of copper and the current mining reserve is 21.9Mt at a copper grade of 2.20 per cent Cu containing 492,000 tonnes of copper.

Ironstone Resources Ltd ("Ironstone")
Ironstone continues to advance its multi-faceted Clear Hills Project in northwestern Alberta, Canada. In early 2017, Ironstone entered into an agreement with a Canadian-based firm that has developed and globally deployed its commercial vapour metal deposition technology to produce high-purity and high-value metal powders used in high-end applications. 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 a vanadium co-product) in NW Alberta. Carbonyl iron powders, in select markets, can sell for upwards of USD10,000 per tonne.

Ironstone also determined there was excellent development of multi-stacked porous lithium brine-bearing reefs underlying its Clear Hills permits. Key to commercialization of lithium brines is deploying pre-concentration technology and they have entered into an agreement with a western-Canadian based water processing specialist firm to co-develop the required technology to separate the lithium from the reservoir fluids by adapting their existing patented technology.

Polo's current portfolio includes:

Gold assets
- Blackham Resources Limited (5.72%)
- Nimini Holdings Limited (90%)

Petroleum assets
- Hibiscus Petroleum Limited (9.22%)
- Regalis Petroleum Limited (12.66%)

Coal and power assets
- GCM Resources Plc (19.84%)
- Universal Coal Resources Pte Ltd (redeemable convertible note)

Lithium, iron and vanadium
- Ironstone Resources Limited (19.5%)

Phosphate asset
- Celamin Holdings NL (34.14%)

Copper asset
- Weatherly International Plc (5.2%)

Various liquid short-term investments.

Given the market conditions, the Company has amended its investment policy, as we announced in our Annual Report for the year ended June 2016 and which was ratified at the Company's Annual General Meeting in January 2017. The Board believes 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 is supported by analyses undertaken by multilateral organisations. As an illustration of this, the Asian Development Bank states that economic activity in Asia will continue to grow, with the region expecting to contribute to about 60 per cent of global growth in the next couple of years. Moving forward, the Company's strategy will 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.
Summary

We are entering the new year with a renewed confidence that the markets in which we and our portfolio companies operate are well placed to ride on the industry trends that are emerging. The Board believes that this optimism will be reflected well in our portfolio's value.

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 2017

Investment Update

Gold

Blackham Resources Limited (ASX: BLK)

- Gold, Western Australia
- Coal, Southwest Australia
- Combined direct and indirect 5.72 per cent equity interest

	DFS	Revised Mine Plan
Mining Inventory[1]	8.3Mt @ 2.9g/t for 767,000oz	9.3Mt @ 2.9g/t for 873,000oz
Reserves[1]	6.1Mt @ 2.5g/t for 481,000oz	7.0Mt @ 2.5g/t for 560,000oz
Initial Life of Mine	7.3 years	8.3 years
Av. Annual Production[2]	101,000ozpa	103,000ozpa
C1 Cash Costs[3]	A$850/oz	A$800/oz
ASIC Costs[4]	A$1,160/oz	A$1,120/oz

1) At A$1,600/oz
2) Average production over the first 5 years
3) C1 Cash Costs include all mining, processing and general & administration costs over the first 5 years
4) ASIC includes C1 Cash Costs plus royalties, refining cost & sustaining capital over the first 5 years

Blackham's principal achievements during the financial year included refurbishing and commissioning Stage 1 of the Wiluna Gold Plant, establishing a new tailings facility; commissioning a new power station; recruiting staff and appointing contractors; and commencing both open pit and underground mining operations and delivering first gold production from the Matilda Gold Project.

Mine Plan

The start-up mine plan focused on free-milling open pit resources providing the base load feed to the Wiluna Gold Plant, augmented by extraction of high grade open pit and shallow underground quartz reef deposits. Continuing exploration and grade control drilling further improved project economics and a revised plan was announced at the end of the September 2016 Quarter.

With gold production planned to commence in the December 2016 Quarter, the 2017 Financial Year production was forecast to be 60,000 to 70,000ozs.

Production Performance

Blackham delivered against all key mining and mineral processing milestones culminating in the first gold pour on schedule in October 2016. Commercial production was officially announced in January 2017 following three months of commissioning and at this juncture the Matilda Gold Project was on track to deliver against plan.

Unfortunately, as series of events in the March 2017 Quarter impacted the operation forcing Blackham to significantly revise down its 2017 Financial Year production guidance to between 40,000 and 45,000ozs (actual 39,413ozs), i.e. a one-third reduction against plan. Contributing factors were:

- Well above average rainfall which severely hampered open pit operations
- Lower than planned mill grades
- Lower than planned underground ore extraction

Lower than expected gold production also hit the Project's financial position with All-in-Sustaining Costs (AISC) blowing out to AUD2,002/oz for the March 2017 Quarter. Although June 2017 Quarter AISC reduced to AUD1,758/oz with a cost reduction trend extending beyond Polo's reporting period through the September 2017 Quarter, the ASIC is still above the AUD1,120/oz mine plan ASIC guidance.

In the September 2017 Quarter, Blackham reported that it was expecting lower stripping ratios and mining costs for most of 2018 Financial Year:

- Open pits are expected to be cash flow positive in the December 2017 Quarter driven by a move in to higher grade areas;
- Underground mining at Golden Age is already cash flow positive with a record production for the September 2017 Quarter of 6,302ozs (42,300t @ 4.7g/t) driven by a move from long-hole stoping to air leg mining allowing selective mining

	Dec'16 Qtr	Mar'17 Qtr	Jun'17 Qtr	Reporting Period Total	Sept '17 Qtr
Total Milled (t)	211,200	338,000	416,100	**965,300**	379,467
Mill Feed Grade (g/t) Au	1.5	1.5	1.3	**1.4**	1.4
Overall Plant Recovery	88.5%	93.7%	91.7%	**91.7%**	91.5%
Gold produced (oz)	**8,773**	**14,920**	**15,720**	**39,413**	**15,619**

in variable orebody conditions. Geological and mining studies are continuing for Golden Age which has been planned to deliver 60kt @ 6.4g/t for 12,000oz over the 2018 Financial Year.

Resource
At the beginning of the current reporting period the Matilda Gold Project Resource stood at 48Mt @ 3.3g/t for 5.1Moz of gold (Measured, Indicated and Inferred). In October 2017 Blackham announced its exploration program had expanded the total resource to 65Mt @ 3.1g/t for 6.5Moz (27 per cent increase).

Expansion Preliminary Feasibility Study (PFS)
Post the Polo reporting period in August 2017 Blackham announced the successful results of the Expansion PFS for the Matilda - Wiluna Gold Operation which is supported by the 6.5Moz expanded resource and builds in the ability to treat both oxide and sulphide ore. The PFS demonstrates robust economics and improved economies of scale supporting the Operation's expansion to over 200,000 oz annual gold productions. The next stage is to complete the Expansion Definitive Feasibility Study ("DFS") by the end of the June 2018 Quarter and it is anticipated this will lead to optimizing scale of operations and economic performance.

Funding
In August 2016, Blackham announced that it had raised proceeds of AUD25 million through a placement of 25 million shares at a price of AUD1 per share.

In February 2017, Blackham completed a capital placement of AUD35 million from predominantly institutional investors. The funds were used to accelerate project expansion studies.

Other funding arrangements
Post the Polo reporting period in August 2017, Blackham announced a funding arrangement which provides an ability to draw up to AUD72M from the Australian Special Opportunity Fund. This facility was designed to allow time for Blackham to choose the optimal funding solution to manage its balance sheet and fund the Expansion DFS.

In November 2017 Blackham announced it had taken a major step towards completion of refinancing the Matilda – Wiluna Operation with an agreed initial AUD60M Funding Package with Pacific Road Capital. This funding arrangement followed an extensive due diligence process by Pacific Road Capital which is a further verification of the Project's technical fundamentals. Blackham is also offering shareholders an opportunity to participate at the Funding Package share price through a renounceable entitlement offer of two shares for every seven shares held to potentially raise a further AUD12.3M.

The full details of Blackham's announcements can be found at: **http://blackhamresources.com.au**

Nimini Holdings Limited
- Gold, Sierra Leone
- Equity interest: 90 per cent Polo Resources and 10 per cent Plinian Capital

Nimini Holdings Limited's ("Nimini") Komahun Gold Project (the "Project") continues to experience difficulty in negotiating an acceptable Mine Development Agreement ("MDA") with the Government of Sierra Leone ('GoSL"). This situation is exasperated by the fact that the Government and its agencies are now largely focused on the general elections which will be held in Sierra Leone on 7 March 2018 to elect the President, Parliament and local councils.

Given the lack of progress with the MDA and impending election, Nimini has adopted a strategy to restrict its activity and minimise costs until the new Sierra Leone government comes to power. To this end several significant steps have been taken including: the termination of all staff at the end of February this year; the termination of the Operator Agreement with Plinian Capital; suspension of all government fees pending issuing of an acceptable MDA; and Nimini is now represented in Sierra Leone by local Directors appointed to the in-country subsidiaries.

The extensive database for the Project is secure and Nimini is confident of mobilising appropriately experienced personnel when required.

Expansion PFS highlights

Initial Gold Production:	1.47Moz gold over initial 9 years
Open Pit Mining Inventory:	15Mt @ 2.3g/t for 1.1Moz
Underground Mining Inventory:	4Mt @ 4.7g/t for 608koz
Expanded Processing Capacity:	Up to 3.3Mtpa
Gold Production Average:	207,000ozpa (first 6 years after expansion)
Lom All-In-Sustaining Costs:	A$1,058/oz of US$836/oz
Projected Cash Flows:	$571M
Initial Capex:	$114M
NPV 8%:	$360M *
IRR:	123% *

* assumes A$1,600/oz gold price before corporate and tax

Oil and Gas

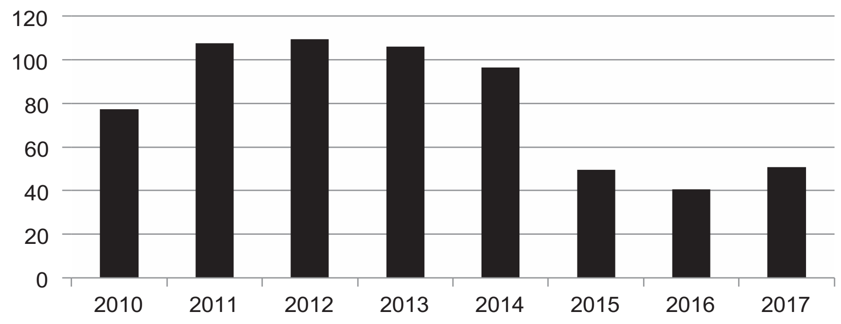
Hibiscus Petroleum Berhad (HIBI: MK)
- Oil and Gas, United Kingdom and Australia
- 9.22 per cent equity interest

From its establishment in 2011 Hibiscus has grown to become a successful oil and gas exploration and production company with a healthy balance of producing assets and exploration opportunities. This success is largely due to its management team making the right strategic decisions at the right time. Consider that the company was launched during a period of very high oil prices (exceeding USD100 per Barrel) and as a consequence their early success came in a speculative market which appreciated acquisition of high potential exploration assets and thrived on the news from subsequent exploration programs.

Oil and gas exploration is an expensive undertaking and by the end of 2014 the company found itself facing a serious oil price slump with just one well yielding a discovery out of seven wells drilled in offshore Norway, the Sultanate of Oman and Australia. While the market's appetite for investment in exploration had waned in line with the dropping oil price, Hibiscus also realised it was a prime time to look for production assets at the right price that would not only transform the company from a negative cashflow exploration focus to a positive cashflow production focus but also position it for growth as oil prices recovered.

Hibiscus' joint venture (50:50) with Ping Petroleum Limited in the acquisition of North Sea Anasuria Cluster of oil and gas fields from Shell and Esso subsidiaries was a game changer for the company as can be seen from the financial performance over the past five years. For the 2016-17 financial year, Hibiscus posted a profit after tax of RM106.1

OPEC Annual Oil Price (US$ per barrel)



million (USD24 million) driven by improved revenue and efficiencies from the Anasuria.

As a further measure of the transformation consider that Hibiscus' share of the acquisition cost was USD52.5 million with USD30 million being paid by the time of deal closure (March 2016 Quarter) and the remaining $22.5 million paid from internally generated funds and finally settled in the September 2017 Quarter.

Operational Performance

It is recognised that although the Anasuria Cluster still has some 19 years production life remaining, it is nevertheless a mature asset and that it will decline over time. Hibiscus has spent the first year of joint operations focused on understanding the asset and the scope for operational improvement. This resulted in work to improve the availability of supporting facilities, including the floating production storage and offloading vessel (FPSO). Through improved maintenance scheduling the facilities availability is planned to remain above 80 per cent which has largely been the case.

Acquisitions

In October 2016, Hibiscus Petroleum (via its wholly owned subsidiary SEA Hibiscus) entered into a conditional sale and purchase agreement with Shell to acquire Shell's fifty percent interests in: the 2011 North Sabah Enhanced Oil Recovery Production Sharing Contract ("PSC"); and the joint operating agreement between Shell and Petronas in relation to the PSC. In May 2017, Hibiscus Petroleum further announced that Petronas had approved the assignment of Shell's interest in the PSC to Hibiscus. However, the approval is subject to certain conditions which are currently under review. Post the reporting

(RM Million)	Production Bias Year ended 30 June 2017	Year ended 30 June 2016	Exploration Centric 18 months ended 30 June 2015	9 months ended 31 December 2013	Year ended 31 March 2013
Revenue	261.3	81.7	15.6	13.3	8.5
Profit/(loss) before taxation	62.0	(56.3)	(75.8)	10.7	(3.9)
Profit/(loss) after taxation	106.1	(60.0)	(74.2)	12.1	(4.2)
Shareholders' equity	742.4	584.3	511.7	370.1	241.3
Total assets	1,319,6	1,269.2	551.0	388.7	370.2
Borrowings	-	-	-	-	-
Basic earnings/(loss) per share (sen)	7.51	(5.66)	(9.68)	2.63	(0.96)
Net assets per share (RM)	0.51	0.45	0.55	0.73	0.55

Financial Performance for the past five years

Anasuria Quarterly Production

	Units	Mar*-Jun 2016	Jul-Sept 2016	Oct-Dec 2016	Jan-Mar 2017	Apr-Jun 2017	Jul 16 -Jun 17
Av. daily production rate	bbl/day	2,971	3,032	3,934	2,617	3,204	3,197
Av. daily gas export rate[1]	boe/day	236	374	474	257	317	356
Av. daily oil equivalent production rate	boe/day	3,206	3,406	4,408	2,873	3,522	3,552
Total oil sold	bbl	460,000 ^	271,576	298,909	273,419	284,963	1,128,867
Total gas exported (sold)	mmscf	172	206	262	138	173	779
Av. realised oil price	USD/bbl	40.1	45.2	41.7	52.95	50.46	-
Av. gas price	USD/mmbtu	1.2[2]/3.1[3]	1.3[2]/3.3[3]	1.7[2]/4.2[3]	2.1[2]/4.9[3]	1.6[2]/3.9[3]	-
Av. OPEX per boe	USD/boe	23.1	18.4	13.0	15.1	13.98	15.1
Av. uptime/availability of Anasuria facilities	%	88	82	98	76	84	85

Notes: All figures are net to Anasuria Hibiscus.
* Anasuria Hibiscus took over joint-operatorship from 10 March 2016.
^ Two offtakes in the period March – June 2016.
[1] Conversion rate of 6,000 scf/boe.
[2] For Cook Field.
[3] For Guilemont A, Teal and Teal South Fields.

Source: Anasuria Operating Company Limited. Numbers may be subject to rounding adjustments. Prices are quoted in United States Dollars.
Bbl: barrel
Boe: barrels of oil equivalent
Mmscf: million standard cubic feet
Mmbtu: million British thermal units

period, Hibiscus announced in December 2017 that Petronas had now given its unconditional consent to the assignment of Shell's interest in the PSC to Hibiscus.

The USD25 million acquisition will result in Hibiscus Petroleum being the operator of four producing oil fields offshore Sabah, the Labuan Crude Oil Terminal and all other equipment and assets related to the PSC. The oil field has been producing since 1979, has production rights up to 2040 and will deliver some 18,000 barrels/day.

Exploration Assets - Australia
Given the expected capital requirements for low risk identified projects within the Anasuria Cluster and potentially further capital requirements for execution of projects in North Sabah (subject to Malaysian regulatory approvals), Hibiscus suggests it may defer investment in its offshore Australian assets for a minimum of three years in favour of more attractive investment options within their portfolio of opportunities.

Investment Update
In July 2016, Polo's subsidiary, Polo Investments Limited ("PIL"), increased its interest in Hibiscus to 10.20 per cent (since diluted to 9.22 per cent) via the subscription of 48.9 million new shares at an issue price of MYR0.18 per share. This increase in shareholding makes PIL the second largest shareholder of Hibiscus after the Hibiscus management team.

Regalis Petroleum Limited
- Oil, Republic of Chad
- 12.66 per cent equity interest

Polo's interest in the private and independent oil and gas company, Regalis Petroleum Limited ("Regalis") increased to 13.67 per cent following an in-specie distribution by Polo's 42 per cent 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 kilometres 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 USD14.7 million 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
- 19.84 per cent equity interest

Polo remains a strong supporter of AIM traded GCM Resources Plc ("GCM") which over the reporting period has been working to refine the implementation strategy for the Phulbari Coal and Power Project ("the Project") based on a world class deposit of 572Mt (JORC 2004 compliant) thermal and metallurgical coal in North-West Bangladesh.

In November 2016, GCM signed an MOU with the world-renowned China Gezhouba Group International Engineering Co Limited ("CGGC") which includes investment and operation in power and coal mining in its diverse project portfolio. The initial focus under the MOU is mine-mouth power generation and CGGC, with support by GCM's team, delivered in July this year a Technical Pre-Feasibility Study for a 2,000MW power plant located at the mine site. This power plant capitalises on synergies with mine development and operation and avoids costly coal transport and handling requirements.

While GCM has been waiting for the Bangladesh Government's approval to develop the Project, there have been step-jump improvements in coal-fired power plant efficiency which also add enormous value to the Project and increase benefits for Bangladesh. Utilising this latest energy efficient power plant technology combined with the low cost, high production open pit coal mine, the Project is on track to be a reliable and competitively priced power producer supplying up to 6,000MW to the national grid for over 30 years.

The Bangladesh Government continues to prioritise power generation expansion as it works towards taking the country to middle-income status. It now has a long-term aim of having 57,000MW installed by 2041 with 20,000MW being coal-fired. In this context, the Project at full production and power generation could deliver some 30 per cent of the Government's coal-fired power generation target.

GCM and CGGC are in discussion to agree a framework of cooperation for moving forward with the power plant(s) and presenting the Project as a major power producer that will meet Bangladesh Government expectations. Funding arrangements:

Post the reporting period, 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.

Universal Coal Resources Pte Ltd
- Coal Project, Indonesia
- Redeemable convertible note

In May 2016, Polo's subsidiary, PIL, entered into a secured S$5,000,000 nominal value 15 per cent 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 per cent 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 per cent 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.

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.

Lithium, Iron, Vanadium and Precious Metals

Ironstone Resources Limited

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

Ironstone Resources Limited ("Ironstone"), headquartered in Calgary, Alberta is in advanced development of its Clear Hills Project located in the Peace Region of NW Alberta. Featuring a large compliant poly-metallic iron and vanadium resource, quality infrastructure, high value commodities, top tier partners and local and institutional support – the Clear Hills Project stands apart from traditional iron concentrate producers.

Ironstone's strategic plan includes a sequence of initiatives to be undertaken to advance its Clear Hills Project through its feasibility (FS) stage by late 2018, some of which are highlighted below.

High-Value Carbonyl Iron Powder and Vanadium Production
With the global demand for refined metal powders accelerating for use in powder metallurgy, metal injection molding and additive manufacturing (3D printing) applications, Ironstone has determined that targeting this burgeoning market for specialty metal powders offers Ironstone a near-term, low-risk, cash-flowing opportunity with high returns on investment. This will provide Ironstone the necessary runway to continue to develop its longer-term high-strength steel production plans.

After contacting one of the largest and most successful metal refining companies in the world, a sample of Ironstone's Clear Hills poly-metallic ore was sent to their pilot plant for process suitability analysis. The test was positive and in early 2017 Ironstone entered into an agreement with the Canadian-based firm that has developed and globally deployed its commercial vapour metal deposition technology to produce high-purity and high-value metal powders used in high-end applications. 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 a vanadium co-product) in NW Alberta. Carbonyl iron powders, in select markets, can sell for upwards of USD10,000 per tonne.

Upon Ironstone successfully closing its current capital raise programme of up to USD5 million by end of Q4 2017, a comprehensive feasibility study, at an estimated cost of approximately C$3 million, will be conducted during 2018 leading to a final investment decision to build and equip a production facility in 2019 with operations to commence in the latter part of the year.

Lithium Carbonate Production from Formation Brines
In recognition of Alberta's potential to host significant lithium resources within its Devonian age oil and gas aquifers, Ironstone undertook an extensive evaluation of Alberta's formation waters (brines) lithium potential, while concurrently seeking an effective water-processing technology suited to the extraction of lithium. In early 2017, Ironstone mapped the potential reservoir development underlying its Clear Hills permits and determined that there was excellent development of multi-stacked porous lithium brine-bearing reefs.

In addition, Ironstone entered into an agreement with a western-Canadian based water processing specialist firm to co-develop the required technology to separate the lithium from the produced reservoir fluids by adapting their existing patented technology.

A budget of approximately C$1 million has been established to develop and adapt the existing technology to extract lithium and deploy the technology in a pilot test at a well production facility in Q2 2018. Further development work on refining the lithium extract into the final battery-grade lithium carbonate will also be undertaken during the pilot testing period. Federal and provincial R&D support is anticipated to underwrite up to 50 per cent of the ongoing commercialization development expenses.

Capital Raise Programme
Ironstone, in conjunction with Golden Gate Asset Management of Vancouver, BC, have commenced a capital raise program targeting a minimum of USD5 million to be raised in late 2017, followed by sourcing up to USD30 million (debt/equity) to support the development of a commercial carbonyl iron powder ("CIP") plant in Clear Hills, Alberta in 2019.

It is anticipated that a new operating subsidiary of Ironstone will be created offering up to 40 per cent equity for an investment of a minimum of USD15 million, which is expected to be non-dilutive to Ironstone's shareholders.

Investment Update
Polo Resources Limited interest in Ironstone is currently 19.5 per cent.

Phosphate

Celamin Holdings NL (ASX: CNL)

- Phosphate, Tunisia
- 34.14 per cent equity interest

Celamin remains in dispute with its joint venture partner, Tunisian Mining Services ("TMS"), regarding ownership and control of CPSA (operating company for the Chaketma Phosphate Project) and is pursuing various legal processes to resolve this situation. The matter which principally involved TMS fraudulently taking Celamin's 51 per cent shareholding in CPSA had been referred to a sole arbitrator appointed by the International Court of Arbitration of the International Chamber of Commerce.

Post the Polo reporting period, Celamin announced on 1 December 2017 that it had received a favourable arbitration decision and TMS has been ordered to return Celamin's 51 per cent shareholding in CPSA and to pay damages and costs in excess of USD4 million.

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.

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 per cent of CPSA previously held by TMS as well as the 51 per cent 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.

Celamin is also continuing with various legal actions in Tunisia including the criminal proceedings and debt recovery actions as previously announced by Celamin. The full details of the dispute can be found at **www.celaminnl.com.au.**

The Chaketma Phosphate Project is based on a 130Mt Inferred Resource @ 20.5% P2O5. Just prior to the dispute CPSA was well funded and gearing up for additional exploration drilling to refine the resource and a Definitive Feasibility Study.

Other activities
Celamin's Board continued to review new project opportunities, including new projects in Tunisia, and potential transactions with a view to identifying projects and/or transactions that have the ability to add shareholder value. As a result, Celamin has secured an exclusive option on two exploration permits in South-West Tunisia prospective for potash and salt and has also made other applications for base metal exploration permits.

Funding arrangements
On 30 May 2017, Celamin announced a capital raising for a total AUD1,050,000 through share placement with options split three ways to raise AUD350,000 each from its major shareholders Polo and African Lion 3, and sophisticated investor clients of Patersons Securities Limited. The raising was completed in July 2017 and full details can be found on the Celamin website.

Copper

Weatherly International Plc (AIM; WTI)

- Copper, Namibia
- 5.2 per cent equity interest

Weatherly International Plc's ("Weatherly") core asset is the Tschudi open pit heap leach SX/EW copper mine. Production at its Otjihase and Matchless underground mines ("Central Operations") has been suspended from 2015 when the copper price dropped below USD5,000/tonne.

The Central Operations have potential as copper price recovers but remain in project development status. Tschudi open pit operation is based on:

- Resources (JORC): 49.7Mt at 0.8% Cu (0.3% Cu cut off)
- Open Pit Reserve: 22.7Mt at 0.85% Cu
- Mine life: 9 years
- Processing rate: 2.6MT/year ore
- Mining Strip Ratio: 6.3 to 1 (average over life of mine)
- Plant Design Capacity: 17,000 tonnes per annum copper cathode

During the June 2016 Quarter the Tschudi open pit mine encountered unexpected excessive groundwater inflows that negatively impacted mine production and Weatherly's ability to maintain scheduled copper production rates. This serious problem was brought under control during the reporting period. Then in the March 2017 Quarter Weatherly advised that cathode production had dropped to 24 per cent below nameplate due to slower than expected leach rates for ore stacked during the late 2016 to early 2017 period. This resulted in the financial year ending June 2017 production guidance being revised down to 14,500 to 15,000 tonnes of copper cathode.

Tschudi Production Performance
For the full 2017 Financial Year, cathode production was 14,759 tonnes, within the revised guidance range but 13 per cent below the 17,000 tonnes per annum nameplate for Tschudi. Financial year C1 unit costs were USD5,288 per tonne, within the revised guidance range of USD5,250 to $5,350 per tonne and the full year average copper spot price was $5,384 per tonne.

Weatherly continues to experience lower heap leach rates than were anticipated in the Bankable Feasibility Study and continues to compensate for this by exposing ore faster in the pit and stacking higher volumes of copper metal in ore, which together result in a higher C1 cost in the short to medium term. Weatherly continues to extend the heap leach pad area to provide additional time for the leaching of copper and has now completed the construction of four new leach pads. Investigations continue into how leach rates can be improved are being assisted by an independent consultant.

Meanwhile copper cathode production levels improved through the September 2017 Quarter, leading to a reduction in C1 unit costs of production. Nameplate production levels were re-attained by the end of the Quarter, and are expected to be maintained going forward.

Production	Sep-16 Qtr	Dec-16 Qtr	Mar-17 Qtr	Jun-17 Qtr	2016-17 Total	Sep-17 Qtr
Total Ore + Waste (kt)	5,703	5,546	5,117	6,051	22,417	6,314
Ore Tonnes stacked (kt)	670	702	563	726	2,661	666
Ore Stacked grade (%)	0.89	0.88	0.86	0.99	0.91	0.78
Copper Cathode (t)	3,641	4,496	3,236	3,386	14,759	4,105
C1 Cost (US$/t)	5,073	4,222	5,907	6,344	5,288	5,402
Av. Spot Copper Price (US$/t)	4,775	5,278	5,838	5,668	5,384	6,351

Open pit groundwater inflows will continue to increase as pit mining proceeds to deeper elevations, but the flow rates are being managed adequately to ensure a reliable supply of ore for stacking.

Financing

While C1 net direct cash cost and copper spot price give an indication of performance, the Weatherly balance sheet is far more complex with the most significant issue being an inability to service a debt of some USD90 million. This predicament is a direct result of reduced revenues driven by: falling copper price which at its low point (January 2016) was 30 per cent below that prevailing during funding and construction (Project reached Commercial Production 1st October 2015); and reduced copper production driven by the recent technical problems being higher than anticipated ground water inflows affecting open pit operations and more recently slower than planned copper leach rates.

Post the Polo reporting period in August 2017 Weatherly announced that debt repayments due to Orion Mine Finance (Master) Fund I LP ("Orion") have been rescheduled and that it has certain copper and currency hedges in place out to March 2018. Orion is Weatherly's the largest shareholder and holds 24.6 per cent of the stock and has rescheduled the debt several times.

On 12 December 2017, Weatherly announced that it has entered into a binding agreement to purchase 100 per cent of the Kitumba copper project in Zambia from ASX-listed Intrepid Mines Limited ("Intrepid").

The key terms of the transaction are up-front consideration of AUD 4.75 million in cash upon transaction completion, plus deferred consideration of AUD 0.5 million upon a Decision to Mine and a further AU$ 0.5 million upon achieving Commercial Production. The transaction is subject to certain conditions precedent including Intrepid shareholder approval and any regulatory approvals required in Zambia and Australia. Weatherly has obtained a waiver from Orion Mine Finance to use part of the uncommitted USD10m loan announced on 28 July 2017 to fund the transaction to the extent that Weatherly is unable to fund it through operating cash flows.

The advanced Kitumba copper development project hosts a JORC-compliant measured and indicated resource of 24.9Mt at a copper grade of 2.32 per cent containing 578,000 tonnes of copper. Included within this resource is a JORC-compliant reserve of 21.9Mt at a copper grade of 2.20 per cent Cu containing 492,000 tonnes of copper.

The Kitumba deposit is contained within a granted mining license valid until 2029, while the wider project area also includes four exploration licenses, with a combined current mining and exploration tenure area covering more than 900 square kilometres.

To date an estimated USD30 million or more has been spent on exploration, drilling, metallurgical test work and other studies for Kitumba, and the purchase includes a fully established exploration camp on site. The development of the Kitumba mine is also already environmentally permitted based on the development plan proposed by Intrepid.

This transaction is consistent with Weatherly's stated strategy of pursuing growth through developing and operating profitable medium-scale base metals mines in lower-risk parts of Africa.

The Kitumba project is an excellent fit for the project development and operational mining capabilities of Weatherly in the Southern African region, and Weatherly is confident in its ability to rapidly advance the project towards construction and production in the near term.

Zambia is a well-established mining jurisdiction and is the second-largest producer of copper in Africa. Weatherly has solid capabilities built up while operating in adjacent Namibia for over ten years, and members of the Board and senior management team have extensive experience working in the Zambian mining sector. As a result, Weatherly is well placed to work constructively and transparently with the Zambian authorities to maximise the benefits of the Kitumba deposit for all stakeholders.

It is encouraging that Weatherly is making progress in solving the operational problems and that the spot copper price is over USD6,700/tonne and predicted to continue to rise, however, the company still maintains its position that it is unlikely to generate sufficient surplus cash to meet all loan repayments when due and that it will continue to work closely with Orion. More details on the technical and financial issues can be found at: **http://weatherlyplc.com**

Financial Review

The purpose of this review is to provide a further analysis of the Group's consolidated 2017 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 USD6.45 million (2016: loss of USD31.2 million). This loss was mainly attributable to a charge of USD2.48 million against the evaluation and exploration assets of its 90 per cent owned Nimini Gold project in Sierra Leona. For the year under review total impairment of USD0.325 million was written down against Regalis Petroleum Limited and Verolube Inc. 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.

Polo reported a decrease of 21.9 per cent in its Group administrative expenses to USD2.28 million (2016: USD2.92 million). This is reflective of Polo's focus on prudent financial management and use of available resources during the current difficult economic environment, and will continue with this approach in the current year to 30 June 2018.

Basic loss per share for the year ended 30 June 2017 was USD2.07 cents (2016: basic loss per share of USD10.64 cents).

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 2016/17 financial year, the Board has continued to support the on-going development of its key assets and acquired new investments.

In July 2016, Polo Investments Limited, a wholly owned subsidiary of Polo increased its stake in Hibiscus Petroleum Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad to 10.20 per cent via the subscription of 48.9 million new shares at an issue price of MYR0.18 per share. As of 15 December 2017, the share price of Hibiscus closed at MYR0.83.

Also in July 2016, Polo has accepted a cash offer by International Petroleum Holding B.V. to acquire its 1.95 per cent equity interest consisting of 5.5 million ordinary shares in Equus Petroleum plc. The offer has resulted in a net cash payment to Polo of approximately CAD$1.37 million and a loss on disposal of US$4,000.

In May 2017, Celamin announced an equity fund raising of up to 1,050 million ordinary fully paid shares at an issue price of AUD0.001 with attaching three year options on a 1:2 basis exercisable at AUD0.002 each to raise AUD1,050,000. Polo participated in the share placement to subscribe for 350,000,000 shares and 175,000,000 options for AUD350,000. The raising was completed in July 2017.

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 2018, 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 15 December 2017, the Group had a net position of cash, receivables and short term investments of USD16.33 million (30 June 2017: USD17.23 million). Listed and unlisted investments at marked to market value, cost and valuation amounted to USD46.81 million (30 June 2017: USD33.22 million). The combined total of cash, receivables, payables, listed and unlisted investments was USD59.91 million as of 15 December 2017 (30 June 2017: USD47.22 million) which is equivalent to a Net Asset value of approximately 14.31 pence per Polo share (30 June 2017: 11.68 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
20 December 2017

Management and Leadership

Good governance ensures that the highest standards are maintained across all aspects of the Company’s operations. The commitment to responsible governance begins at Board level and flows throughout the Polo Resources operation.

Datuk Michael Tang, PJN (aged 44)

Executive Chairman

Datuk Michael is the founder of Mettiz Capital Limited, an investment company with a diversified portfolio comprising natural resources, power generation, manufacturing, healthcare and real estate, and which has a major shareholding in the Company. He is an investor and entrepreneur with significant corporate, commercial and financial experience. Datuk Michael holds a Bachelor of Laws degree from the London School of Economics and Political Science and was called to the Bar of the Honourable Society of the Lincoln's Inn of England and Wales. On the community front, Datuk Michael was the founding trustee of the Gold Coast Dharma Realm in Australia and 1Malaysia Community Alliance Foundation. In recognition of his invaluable service and contribution to the nation, he was conferred the Distinguished Order for Meritorious Service (“Panglima Jasa Negara”) which carries the honorific title of “Datuk” by His Majesty The King of Malaysia.

Kian Meng Cheah (aged 44)

Senior Non-Executive Director

Mr. Kian Meng Cheah has more than 16 years banking and investment management experience with financial institutions in South East Asia including Standard Chartered Bank and Merrill Lynch International. He holds a number of private company directorships in Singapore and Malaysia involved in private equity and real estate investment. Mr. Cheah is also an Executive Director of the Select Equity Growth Ltd. fund with a focus across diversified sectors in South East Asia, Hong Kong and Australia. He holds a Bachelor of Commerce (Accounting) from Curtin University of Technology, Australia.

Gary Lye (aged 64)

Non-Executive Director

Mr. Lye has over 40 years’ experience in natural resources having held senior positions with several leading mining companies. He is currently CEO of Asia Energy Corporation (Bangladesh) Pty Ltd, the operating subsidiary of GCM Resources Plc where he is COO. From 1994 - 2003 he was with Kalgoorlie Consolidated Gold Mines Pty Ltd as manager of strategic mine development at their Super Pit operations in Kalgoorlie, Western Australia. He has previously acted as Manager of Mining Research for CRA in Perth, Western Australia and spent many years with Bougainville Copper Ltd. in Papua New Guinea. Gary has a Master's Degree (Rock Mechanics) from the Royal School of Mines and a Diploma from Imperial College in London, and an Honours Degree in Geology specialising in coal and petroleum geology from the University of Queensland, Australia. He is a member of the Australian Institute of Mining and Metallurgy (AUSIMM).

Forward-looking Statements

Certain statements in this report are ''Forward Looking statements''. These statements are not based on historical facts, but rather on the management's expectations regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, planned exploration and development drilling activity and the results of such drilling activity, business prospects and opportunities. Such Forward Looking statements reflect management's current beliefs and assumptions and are based on information currently available to management.

Forward-looking statements involve significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including risks associated with vulnerability to general economic market and business conditions, competition, environmental and other regulatory changes, the results of exploration and development drilling and related activities, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although the forward-looking statements contained in this Document are based upon what management believes to be reasonable assumptions the Company cannot assure investors that actual results will be consistent with these forward-looking statements.

This Annual Report 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.

Group Financial Statements

For the year ending 30 June 2017

Directors' Report

Strategic Report
Corporate Governance
Financial Statements

The Directors are pleased to present this year's Annual Report together with the group financial statements for the year ended 30 June 2017.

Principal Activity

The principal activity of the Group is that of a natural resources investment company focused on investing in undervalued companies and projects with strong fundamentals and attractive growth prospects. Polo aims to build a diversified portfolio of mineral and hydrocarbon assets which the Board of Directors consider as offering substantial growth potential, pursuing both short and long-term value enhancing investments.

Business Review and Future Developments

A review of the current and future development of the Group's business is given in the Chairman's Statement, Strategic Report and Finance Review on pages 4 to 13.

Results and Dividends

Loss on ordinary activities of the Group after taxation amounted to US$6.5million (2016: Loss US$31.2million). The Directors do not recommend payment of a dividend in respect of the financial year under review.

Key Performance Indicators

Given the nature of the business the Directors are of the opinion that analysis using KPIs is not appropriate for an understanding of the development, performance or position of the business at this time.

Events after the end of the reporting period

At the date these financial statements were approved, being 20 December 2017, the Directors were not aware of any significant events after the end of the reporting period, other than those set out in the notes to the financial statements.

Directors

The names of the Directors who served during the year are set out below:

Executive Directors
Michael Tang

Non-Executive Directors
Kian Meng Cheah
Gary Lye

Directors' Remuneration

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes it upholds the objectives of the Company with regard to this issue. Details of the Directors' emoluments and payments made for professional services rendered are set out in Note 8 to the financial statements.

Directors' Interests

The total beneficial interests of the serving Directors in the shares and options of the Company during the year to 30 June 2017 were as follows:

	30 June 2017		30 June 2016	
Director	Shares	Options*	Shares	Options*
Michael Tang	39,218,775	2,000,000	39,218,775	4,000,000
Kian Meng Cheah	-	-	-	-
Gary Lye	-	-	-	-

* The option details have been fully disclosed in Note 19 to the financial statements.

Directors' Report (continued)

Corporate Governance

A statement on Corporate Governance is set out on pages 20 to 22.

Environmental Responsibility

The Company is aware of the potential impact that activities conducted by it and some of its subsidiary companies may have on the environment. The Company ensures that it, and its subsidiaries at a minimum, comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Employment Policies

The Group is committed to promoting policies which ensure that high calibre employees and consultants are attracted, retained and motivated to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group aims to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group provides ongoing training and support to employees and set demanding standards for workplace safety.

Payment to Suppliers

The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. Suppliers are typically paid within 30 days of issue of invoice.

Political Contributions and Charitable Donations

During the year the Group did not make any political contributions or charitable donations.

Annual General Meeting ("AGM")

This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Statement of Disclosure of Information to Auditors

As at the date of this report the serving Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution to re-appoint Chapman Davis LLP and to authorise the Directors to fix their remuneration will be proposed at the next Annual General Meeting.

Going Concern

The Directors note the losses that the Group and Company have made for the Year Ended 30 June 2017. The Directors have prepared cash flow forecasts for the period ending 31 December 2018 which take account of the current cost and operational structure of the Group.

The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Group to operate within its available funding.

These forecasts demonstrate that the Group and Company have sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Statement of Directors' Responsibilities

The Directors prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the Annual Report includes information required by AIM, the market of that name operated by The London Stock Exchange.

Electronic Communication

The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Company's website is maintained in accordance with AIM Rule 26.

Legislation in the British Virgin Islands governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

By order of Board:

Datuk Michael Tang, PJN
Executive Chairman
20 December 2017

Corporate Governance Statement

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Services Authority incorporate the UK Corporate Governance Code (formerly the Combined Code), which sets out the principles of Good Governance, and the Code of Best Practice for listed companies. Whilst the Company is not required to comply with the UK Corporate Governance Code ("UK Code"), the Company's corporate governance procedures take due regard of the principles of Good Governance set out in the UK Code in relation to the size and the stage of development of the Company.

Board of Directors

The Board of Directors currently comprises one Executive Director, whom is the Chairman, and two Non-Executive Directors. The Directors are of the opinion that the Board currently comprises a suitable balance and that the recommendations of the UK Code have been implemented to an appropriate level. The Board maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

Board Meetings

The Board meets regularly throughout the year. For the year ending 30 June 2017 the full Board met formally six times in relation to normal operational matters and several additional occasions informally. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of the Company's solicitors and other professional advisers as necessary and information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively. All Directors have access to independent professional advice, at the Company's expense, as and when required.

Board Committees

The Board has established the following committees, each of which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting (including accounting policies) and internal financial controls. The Audit Committee comprises the Executive Director, and one Non-Executive Director; Kian Meng Cheah (Chairman), and Michael Tang and are responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board in respect of Directors' and senior executives' remuneration. It comprises the Executive Director and one Non-Executive Director; Kian Meng Cheah (Chairman), and Michael Tang. Non-Executive Directors' remuneration and conditions are considered and agreed by the Board. Financial packages for Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievements and of recognised job qualifications and skills. The Committee will also have regard to the terms which may be required to attract an equivalent experienced executive to join the Board from another company.

Internal Controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. The Directors are aware that no system can provide absolute assurance against material misstatement or loss. However, in the interest of the further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Strategic Report

Corporate Governance

Financial Statements

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to budgets and forecasts. Project milestones and timelines are regularly reviewed.

Risks and Uncertainties

The principal risks facing the Company are set out below. Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system.

General and Economic Risks

- contractions in the world's major economies or increases in the rate of inflation resulting from international conditions;
- movements in the equity and share markets in the United Kingdom and throughout the world;
- weakness in global equity and share markets in particular, in the United Kingdom, and adverse changes in market sentiment towards the natural resource industry;
- currency exchange rate fluctuations and, in particular, the relative prices of US Dollar, Australian Dollar, Canadian Dollar, Singapore Dollar and the UK Pound;
- exposure to interest rate fluctuations; and
- adverse changes in factors affecting the success of exploration and development operations, such as increases in expenses, changes in government policy and further regulation of the industry; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; variations in grades and unforeseen adverse geological factors or prolonged weather conditions.

Funding Risk

- The Group or the companies in which it has invested may not be able to raise, either by debt or further equity, sufficient funds to enable completion of planned exploration, investment and/or development projects.

Commodity Risk

- Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of the Company. Mining, processing and transportation costs also depend on many factors, including commodity prices, capital and operating costs in relation to any operational site.

Exploration and Development Risks (relating to investments)

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs.
- Success in identifying economically recoverable reserves can never be guaranteed. The Company also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects.
- Some of the countries in which the Company operates have native title laws which could affect exploration and development activities. The companies in which the Company has an interest may be required to undertake clean-up programmes on any contamination from their operations or to participate in site rehabilitation programmes which may vary from country to country. The Group's policy is to follow all applicable laws and regulations and the Company is not currently aware of any material issues in this regard.
- Timely approval of mining permits and operating plans through the respective regulatory agencies cannot be guaranteed.
- Availability of skilled workers is an ongoing challenge.
- Geology is always a potential risk in mining activities.

Market Risk

- The ability of the Group (and the companies it invests in) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

Insurance

The Group maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company.

Treasury Policy

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group and take advantage of opportunities as they arise. Decisions regarding the management of these assets are approved by the Board. Refer Note 21.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee who may be in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.

Independent Auditors' Report to the Shareholders of Polo Resources Limited

Opinion

We have audited the financial statements of Polo Resources Ltd (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2017 which comprise the Consolidated and Company Statements of financial position, the Consolidated and Company Statements of Comprehensive Income, the Consolidated and Company Cash Flow Statements, the Consolidated and Company Statements of Changes in Equity, and the related notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2017 and of the Group's and the Parent Company's results for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the BVI Business Companies Act 2004 as amended and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditors’ Report to the Shareholders of Polo Resources Limited (continued)

Carrying value of Available for sale financial assets

The Group’s Available for sale financial assets represent a significant asset on its statement of financial position totalling $33,163,000 as at 30 June 2017.

Management and the Board are required to ensure that Available for sale financial assets are carried in the statement of financial position at fair value and accord with the Group’s accounting policy.

Given the significance of the Available for sale financial assets on the Group’s statement of financial position and the significant management judgement involved in the determination of the valuation methodology on the class of unquoted equity investments and the assessment of the carrying values of these investments there is an increased risk of material misstatement.

How the Matter was addressed in the Audit

The procedures included, but were not limited to, assessing and evaluating management's assessment and valuation methodology as applicable to its holdings in unlisted investments within the category of Available for Sale financial assets with consideration of:

- the investment in Fusionex International Plc, which was de-listed from the London Stock Exchange in June 2017;
- the long-standing investment in Ironstone Resources Ltd and its potential for future value creation;
- the long-standing investment in Verolube Inc, which has after consideration and evaluation been further provided against by the value $225,000
- the outstanding Convertible Loan Note with Universal Coal Resources Pte Ltd, which had been seeking a listing on the Singapore Stock Exchange, but is now considering other areas of asset realisation.

We also assessed the disclosures included in the financial statements and our results found the carrying value for Available for sale financial assets and the $9,751,000 value for unlisted investments to be acceptable.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the UK Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors’ Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit we have not identified material misstatements in the Strategic Report or the Directors' Report. We have nothing to report in respect of the following matters in relation to which the UK Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Keith Fulton (Senior Statutory Auditor)
for and on behalf of Chapman Davis LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
20 December 2017

Group Statement of Comprehensive Income

For the year ended 30 June 2017

	Notes	Year ended 30 June 2017 $ 000's	Year ended 30 June 2016 $ 000's
(Loss)/gain on sale of investments		**(4)**	25
Investment income	5	**59**	900
Impairment of AFS investments	15	**(325)**	(15,685)
Administrative & Exploration expenses		**(2,284)**	(2,917)
Share options expensed	8, 19	**-**	(727)
Expensed exploration costs		**(454)**	(1,275)
Impairment of exploration and evaluation costs	12	**(2,026)**	(13,000)
Group operating (loss)	3	**(5,034)**	(32,679)
Share of associates results	14	**(1,799)**	(822)
Negative goodwill written-off	24	**-**	1,615
Finance revenue	7	**383**	692
Other income	6	**-**	37
(Loss) before taxation	2	**(6,450)**	(31,157)
Income tax expense	9	**-**	-
Retained (loss) for the year		**(6,450)**	(31,157)
Other comprehensive income			
Gain on market value revaluation of available for sale investments		**1,713**	2,289
Currency translation differences		**(559)**	(162)
Other comprehensive income for the year net of taxation		**1,154**	2,127
Total comprehensive income for the year		**(5,296)**	(29,030)
Retained (loss) for the year attributable to:			
Equity holders of the parent		**(6,202)**	(29,723)
Non-controlling interests		**(248)**	(1,434)
		(6,450)	(31,157)
Total comprehensive income for the year attributable to:			
Equity holders of the parent		**(5,009)**	(27,596)
Non-controlling interests		**(287)**	(1,434)
		(5,296)	(29,030)
(Loss) per share (US cents)			
Basic	11	**(2.07)**	(10.64)
Diluted	11	**(2.06)**	(10.49)

Company Statement of Comprehensive Income

For the year ended 30 June 2017

	Notes	**Year ended 30 June 2017 $ 000's**	Year ended 30 June 2016 $ 000's
Administrative expenses		**(2,189)**	(2,917)
Share options expensed	**8, 19**	**-**	(727)
Provision on loan to subsidiary	**16**	**(2,452)**	(44,931)
Operating (loss)	**3**	**(4,641)**	(48,575)
Finance revenue	**7**	**383**	138
Other income	**6**	**-**	-
(Loss) before taxation		**(4,258)**	(48,437)
Income tax expense	**9**	**-**	-
Retained (loss) after taxation		**(4,258)**	(48,437)
Other comprehensive income			
Currency translation differences		**(38)**	(228)
Other comprehensive income for the year net of taxation		**(38)**	(228)
Total comprehensive income for the year		**(4,296)**	(48,665)

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Group Statement of Financial Position

As at 30 June 2017

	Note	30 June 2017 $ 000's	30 June 2017 $ 000's	30 June 2016 $ 000's	30 June 2016 $ 000's
ASSETS					
Non-current assets					
Tangible assets	**12**	**2,475**		4,598	
Interest in associates	**14**	**3,084**		4,883	
Available for sale investments	**15**	**27,662**		25,452	
Trade and other receivables	**16**	**3,757**		3,603	
Total non-current assets			**36,978**		38,536
Current assets					
Trade and other receivables	**16**	**3,961**		2,449	
Available for sale investments	**15**	**5,501**		5,167	
Cash and cash equivalents		**4,010**		9,615	
Total current assets			**13,472**		17,231
TOTAL ASSETS			**50,450**		55,767
LIABILITIES					
Current liabilities					
Trade and other payables	**17**	**(3,230)**		(3,251)	
TOTAL LIABILITIES			**(3,230)**		(3,251)
NET ASSETS			**47,220**		52,516
EQUITY					
Equity contribution	**18**	**306,714**		306,714	
Retained earnings		**(273,073)**		(267,325)	
Available for sale investment reserve		**(682)**		(2,434)	
Foreign exchange reserve		**17,127**		17,686	
Share based payments reserve	**19**	**454**		908	
			50,540		55,549
Non-controlling interest			**(3,320)**		(3,033)
TOTAL EQUITY			**47,220**		52,516

These financial statements were approved by the Board of Directors on 20 December 2017 and signed on its behalf by:

Datuk Michael Tang
EXECUTIVE CHAIRMAN

Kian Meng Cheah
NON-EXECUTIVE DIRECTOR

Company Statement of Financial Position

As at 30 June 2017

	Notes	30 June 2017 $ 000's	30 June 2017 $ 000's	30 June 2016 $ 000's	30 June 2016 $ 000's
ASSETS					
Non-current assets					
Investment in subsidiaries	**13**	**-**		-	
Trade and other receivables	**16**	**70,241**		70,537	
Total non-current assets			**70,241**		70,537
Current assets					
Trade and other receivables	**16**	**3,008**		1,411	
Available for sale of investments	**15**	**797**		797	
Cash and cash equivalents		**4,004**		9,589	
Total Current Assets			**7,809**		11,797
TOTAL ASSETS			**78,050**		82,334
LIABILITIES					
Current Liabilities					
Trade and other payables	**17**	**(200)**		(188)	
TOTAL LIABILITIES			**(200)**		(188)
NET ASSETS			**77,850**		82,146
EQUITY					
Equity contribution	**18**	**306,714**		306,714	
Retained earnings		**(233,021)**		(229,217)	
Foreign exchange reserve		**3,703**		3,741	
Share based payments reserve	**19**	**454**		908	
TOTAL EQUITY			**77,850**		82,146

These financial statements were approved by the Board of Directors on 20 December 2017 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 2017

	Notes	Year ended 30 June 2017 $ 000's	Year ended 30 June 2016 $ 000's
Cash flows from operating activities			
Operating (loss)		**(5,034)**	(32,679)
(Increase) in trade and other receivables		**(1,512)**	(1,442)
Increase/(decrease) in trade and other payables		**(21)**	1
(Increase) in available for sale investments		**(1,608)**	(8,771)
Foreign exchange (gain)/loss		**(11)**	(5)
Share options expensed		**-**	727
Impairment of AFS investments		**325**	15,685
Loss on sale of PPE		**51**	-
Depreciation & impairment		**2,026**	13,731
Net cash (outflow) from operating activities		**(5,784)**	(12,753)
Cash flows from investing activities			
Finance revenue		**383**	692
Other income		**-**	37
Taxation paid		**-**	-
Loan (advanced) to third party		**(154)**	(131)
Net cash inflow from investing activities		**229**	598
Cash flows from financing activities			
Issue of ordinary share capital		**-**	-
Net cash inflow from financing activities		**-**	-
Net (decrease) in cash and cash equivalents		**(5,555)**	(12,155)
Cash and cash equivalents at beginning of year		**9,615**	21,550
Exchange gain on cash and cash equivalents		**(50)**	220
Cash and cash equivalents at end of year	**20**	**4,010**	9,615

Company Statement of Cash Flows

For the year ended 30 June 2017

	Notes	Year ended 30 June 2017 $ 000's	Year ended 30 June 2016 $ 000's
Cash flows from operating activities			
Operating (loss)		**(4,641)**	(48,575)
(Increase) in trade and other receivables		**(1,597)**	(555)
Increase/(decrease) in trade and other payables		**12**	(105)
Share options expensed		**-**	727
Provision on loan to subsidiary		**2,452**	44,931
Foreign exchange loss/(gain)		**11**	(13)
Net cash (outflow) from operating activities		**(3,763)**	(3,590)
Cash flows from investing activities			
Finance revenue		**383**	138
Other income		**-**	-
Loans (advanced) to subsidiaries		**(2,003)**	(8,063)
Loan (advanced) to third party		**(154)**	(131)
Net cash (outflow) from investing activities		**(1,774)**	(8,056)
Cash flows from financing activities			
Issue of ordinary share capital		**-**	-
Net cash inflow from financing activities		**-**	-
Net (decrease) in cash and cash equivalents		**(5,537)**	(11,646)
Cash and cash equivalents at beginning of year		**9,589**	21,451
Exchange (loss) on cash and cash equivalents		**(48)**	(216)
Cash and cash equivalents at end of year	**20**	**4,004**	9,589

Group Statement of Changes in Equity

For the year ended 30 June 2017

	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 2015	**303,059**	**(4,723)**	**17,848**	**2,413**	**(239,834)**	**78,763**	**(1,715)**	**77,048**
(Loss) for the year	-	-	-	-	(29,723)	**(29,723)**	**(1,434)**	**(31,157)**
Gain on market value revaluation of available for sale investments	-	2,289	-	-	-	**2,289**	**-**	**2,289**
Currency translation differences	-	-	(162)	-	-	**(162)**	**-**	**(162)**
Total comprehensive income	**-**	**2,289**	**(162)**	**-**	**(29,723)**	**(27,596)**	**(1,434)**	**(29,030)**
Share based payments	-	-	-	727	-	**727**	**-**	**727**
Share options expired	-	-	-	(2,232)	2,232	**-**	**-**	**-**
Shares issued	3,655	-	-	-	-	**3,655**	**-**	**3,655**
Total contributions by and distributions to owners of the Company	-	-	-	(1,505)	2,232	**4,382**	**-**	**4,382**
Non-controlling interest arising on business combination	-	-	-	-	-	**-**	**116**	**116**
As at 30 June 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**

Company Statement of Changes in Equity

For the year ended 30 June 2017

	Equity contribution	Foreign exchange reserve	Share based payment reserve	Retained earnings	Total equity
Company	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**
As at 1 July 2015	**303,059**	**3,969**	**2,413**	**(183,012)**	**126,429**
(Loss) for the year	-	-	-	(48,437)	**(48,437)**
Currency translation differences	-	(228)	-	-	**(228)**
Total comprehensive income	**-**	**(228)**	**-**	**(48,437)**	**(48,665)**
Share based payments	-	-	727	-	**727**
Share options expired	-	-	(2,232)	2,232	**-**
Shares issued	3,655	-	-	-	**3,655**
Total contributions by and distributions to owners of the Company	3,655	-	(1,505)	2,232	**4,382**
As at 30 June 2016	**306,714**	**3,741**	**908**	**(229,217)**	**82,146**
(Loss) for the year	-	-	-	(4,258)	**(4,258)**
Currency translation differences	-	(38)	-	-	**(38)**
Total comprehensive income	**-**	**(38)**	**-**	**(4,258)**	**(4,296)**
Share options expired	-	-	(454)	454	**-**
Shares issued	-	-	-	-	**-**
Total contributions by and distributions to owners of the Company	**-**	**-**	**(454)**	**454**	**-**
As at 30 June 2017	**306,714**	**3,703**	**454**	**(233,021)**	**77,850**

Notes to the Financial Statements

For the year ended 30 June 2017

1 Summary of Significant Accounting Policies

(a) Authorisation of financial statements

The Group financial statements of Polo Resources Limited for the year ended 30 June 2017 were authorised for issue by the Board on 20 December 2017 and the balance sheets signed on the Board's behalf by Michael Tang and Kian Meng Cheah. The Company is registered in the British Virgin Islands under the BVI Business Companies Act 2004 with registered number 1406187. The Company's Ordinary Shares are traded on the AIM, the market of that name operated by the London Stock Exchange.

(b) Statement of compliance with IFRS

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Company's and Subsidiaries' financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB).

Future changes in accounting policies

IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Interpretations Committee) have issued the following standards and interpretations with an effective date after the date of these financial statements. Their adoption is not expected to have a material effect on the financial statements.

New/Revised International Financial Reporting Standards (IAS/IFRS)	**Effective date** (accounting periods commencing on or after)
Amendments to IFRS9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 16 Leases	1 January 2019

(c) Basis of preparation and Going Concern

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below.

The financial report is presented in US Dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

The financial statements have been prepared on a going concern basis, notwithstanding the loss for the year ended 30 June 2017. This basis assumes that the Group will have sufficient funding to enable it to continue to operate for the foreseeable future and the Directors have taken steps to ensure that they believe that the going concern basis of preparation remains appropriate.

The Group made a loss for the year of $6,450,000 after taxation. The Group had net assets of $47,220,000 and cash balances of $4,010,000 at 30 June 2017. The Directors have prepared financial forecasts which cover a period of at least 12 months from date that these financial statements are approved. These forecasts show that the Group expects to have sufficient financial resources to continue to operate as a going concern.

The Directors anticipate that the Group will have a controlled level of operating costs for the next 12 months, principally the costs of maintaining the AIM listing and of pursuing investment opportunities for the Group. Therefore they are confident that existing cash balances are adequate to ensure that costs can be covered.

Consequently, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future and that it remains appropriate for the financial statements to be prepared on a going concern basis.

(d) Basis of consolidation

The consolidated financial information incorporates the results of the Company and its subsidiaries (the “Group") using the purchase method. In the consolidated statement of financial position, the acquiree’s identifiable assets and liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated income statement from the date on which control is obtained. Inter-company transactions and balances between Group companies are eliminated in full.

(e) Business combinations

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are taken into consideration when assessing whether the group controls another entity. The Group also assesses existence of control where it does not have more than 50 per cent of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group’s voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, for example the reappointment of directors in general meeting etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer’s previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(f) Interest in associates

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting except when classified as held for sale. Investments in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associates, less any impairment in the value of individual investments. Losses of the associates in excess of the Group's interest in those associates are not recognised unless the Group has an obligation to fund such losses.

Where a Group company transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Losses may provide evidence of an impairment of the asset transferred in which case appropriate provision is made for impairment.

(g) Goodwill and intangible assets

Intangible assets are recorded at cost less eventual amortisation and provision for impairment in value. Goodwill on consolidation is capitalised and shown within fixed assets. Positive goodwill is subject to an annual impairment review, and negative goodwill is immediately written-off to the income statement when it arises.

(h) Revenue

The Groups' principal income was derived from investment activities during the year ending 30 June 2017.

(i) Foreign currencies

The Company's functional currency is US Dollar ($). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. As at the reporting date the assets and liabilities of these subsidiaries are translated into the presentation currency of Polo Resources Limited, which is US Dollar ($), at the rate of exchange ruling at the balance sheet date and their income statements are translated at the average exchange rate for the year. The exchange differences arising on the translation are taken directly to a separate component of equity.

All other differences are taken to the income statement with the exception of differences on foreign currency borrowings, which, to the extent that they are used to finance or provide a hedge against foreign equity investments, are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

(j) Significant accounting judgments, estimates and assumptions

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

(ii) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

(k) Finance costs/revenue

Borrowing costs are recognised as an expense when incurred.

Finance revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(l) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in-hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(m) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(n) Available for sale Investments

Equity investments other than subsidiaries, associates and joint ventures are classified as available-for-sale investments. They are carried at fair value, where this can be reliably measured, with movements in fair value recognised directly in the available-for-sale reserve. Where the fair value cannot be reliably measured, the investment is carried at cost.

Any impairment losses in equity investments classified as available-for-sale investments are recognised in the income statement and are not reversible through the income statement, and are determined with reference to the closing market share price at the balance sheet date. Any subsequent increase in the fair value of the available-for-sale investment above the impaired value will be recognised within the available-for-sale reserve.

Available-for-sale investments are included within non-current assets unless the carrying value is expected to be recovered principally through sale rather than continuing use, in which case they are included within current assets. On disposal, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had previously been recognised directly in reserves is recognised in the income statement.

Income from available-for-sale investments is accounted for in the income statement on an accruals basis.

(o) Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operation such as trade debtors and trade creditors. The Group has held active overseas subsidiaries in BVI, Guernsey and Sierra Leone whose expenses are denominated in US Dollars, and Leone. Market price risk is inherent in the Group's activities and is accepted as such.

There is no material difference between the book value and fair value of the Group's cash.

(p) Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the tax computations, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case it is also dealt with in equity.

(q) Equity contribution

This reserve is used to record the valuation of shares issued, less any attributable costs of these issues, and other specific capital related costs.

(r) Available for sale investment reserve

This reserve is used to record the post-tax fair value movements in available-for-sale investments.

(s) Share based payments reserve

This reserve is used to record the value of equity benefits provided to employees and Directors as part of their remuneration and provided to consultants and advisers hired by the Group from time to time as part of the consideration paid.

(t) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(u) Property, plant and equipment

General

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Land is measured at fair value less any impairment losses recognised after the date of revaluation. Depreciation is provided on all tangible assets to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight-line basis at the following annual rates:

- Land (including option costs) – Nil
- Plant and Equipment – between 5 per cent and 25 per cent

All assets are subject to annual impairment reviews.

Exploration and evaluation

Once a licence to explore an area has been secured, expenditures on exploration and evaluation activities are capitalised within property, plant and equipment.

The Company records its capitalised exploration and evaluation at cost. The capitalised cost is based on cash paid, the value of share consideration and exploration costs incurred. The recoverable values are not always readily determinable and are dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

All costs related to the acquisition, exploration and evaluation of these interests are capitalised on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are moved into development or production, sold or management has determined there to be an impairment of the value.

Management reviews the carrying value of capitalised exploration and evaluation costs at least annually. In the case of undeveloped projects, there may be only inferred resources to form a basis for the impairment review. The review is based on a status report regarding the Company's intentions for development of the undeveloped property. In some cases, the undeveloped properties are regarded as successors to ore bodies currently in production. Where this is the case, it is intended that these will be developed and go into production when the current source of ore is exhausted or to replace the reduced output.

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to mining interests within property, plant and equipment.

Mining interests

Mining interests represent capitalised expenditures related to the development of mining properties, acquisition costs, capitalised borrowing costs, expenditures related to exploration and evaluation transferred in and estimated site closure and reclamation costs.

Capitalised costs are depleted using the unit of production method over the estimated economic life of the mine to which they relate.

(u) Property, plant and equipment (continued)

Plant and equipment

Plant and equipment are recorded at cost less accumulated depreciation, depletion and impairment charges.

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of plant and equipment.

Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalised. Any remaining book value associated with the component being replaced is derecognised upon its replacement. Directly attributable expenses incurred for major capital projects and site preparation are capitalised until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent these are recognised as a provision.

Depreciation

Mining interests are depreciated to estimated residual value using the unit-of-production method based on the estimated total recoverable ounces contained in proven and probable reserves at the related mine when the production level intended by management has been reached ("commencement of commercial production").

The production level intended by management is considered to be reached when operational commissioning of major mine and plant components is completed, operating results are being achieved consistently for a period of time and there are indicators that these operating results will be sustained. Other factors include one or more of the following:

- A significant utilisation rate of plant capacity has been achieved;
- A significant portion of available funding is directed towards operating activities;
- A pre-determined, reasonable period of time of stable operation has passed; and
- A development project significant to the primary business objective of the Company has been completed and significant milestones have been achieved.

Management reviews the estimated useful lives, residual values and depreciation methods of the Company's property, plant and equipment at the end of each reporting period and when events and circumstances indicate that such a review should be made. Changes to estimated useful lives, residual values or depreciation methods resulting from such review are accounted for prospectively.

Plant and equipment cost is depreciated, using the straight-line method over their estimated useful lives, if shorter than the mine life, otherwise they are depreciated on the unit-of-production basis.

Plant and equipment includes building, plant and equipment, vehicles, furniture and fixtures and computer equipment and their estimated useful lives ranges from 2.5 years to 10 years.

Assets under construction are depreciated when they are complete and available for their intended use, over their estimated useful lives.

(v) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease).

(v) Impairment of assets (continued)

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(w) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(x) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(y) Share-based payment transactions

(i) Equity settled transactions:

The Group provides benefits to employees (including senior executives) and consultants of the Group in the form of share-based payments, whereby employees and consultants render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Polo Resources Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees and consultants become fully entitled to the award (the vesting period).

The Income Statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 11).

(z) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of Ordinary Shares, adjusted for any bonus element.

Diluted earnings per share ia calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential Ordinary Shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential Ordinary Shares; divided by the weighted average number of Ordinary Shares and dilutive potential of Ordinary Shares, adjusted for any bonus element.

2 Segmental analysis - Group

Segment information is presented in respect of the Group's management and internal reporting structure. As currently the Group is not in production, there is no revenue being generated, and the main business segment is that of an investment group and corporate administrative entity.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

By geographical area

2017	**BVI/Parent**	**Americas**	**Oceania & Australasia**	**Africa**	**Europe**	**Total**
	$ 000's	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**
Result						
Operating (loss)	(2,554)	-	-	(2,480)	-	**(5,034)**
Share of associates results	-	-	-	(1,447)	(352)	**(1,799)**
Finance revenue	383	-	-	-	-	**383**
(Loss) before taxation	(2,171)	-	-	(3,927)	(352)	**(6,450)**
Other information						
Depreciation and amortisation	-	-	-	-	-	**-**
Assets						
Segment assets	4,488	6,538	19,670	2,753	5,273	**38,722**
Financial assets	6,764	-	928	26	-	**7,718**
Cash	4,004	-	-	6	-	**4,010**
Consolidated total assets	15,256	6,538	20,598	2,785	5,273	**50,450**
Liabilities						
Segment liabilities	-	-	-	-	-	**-**
Financial liabilities	200	-	11	3,019	-	**3,230**
Consolidated total liabilities	200	-	11	3,019	-	**3,230**

Notes to the Financial Statements (continued)

For the year ended 30 June 2017

2 Segmental analysis – Group (continued)

By geographical area

2016	**BVI/Parent**	**Americas**	**Oceania & Australasia**	**Africa**	**Europe**	**Total**
	$ 000's	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**
Result						
Operating (loss)	(18,341)	-	-	(14,338)	-	**(32,679)**
Share of associates results	-	-	120	(511)	(431)	**(822)**
Negative goodwill write-off	-	-	1,615	-	-	**1,615**
Other income	37	-	-	-	-	**37**
Finance revenue	692	-	-	-	-	**692**
Profit/(loss) before taxation	(17,612)	-	1,735	(14,849)	(431)	**(31,157)**
Other information						
Depreciation and amortisation	-	-	-	33	-	**33**
Assets						
Segment assets	10,002	5,358	11,137	6,195	7,408	**40,100**
Financial assets	5,104	-	928	20	-	**6,052**
Cash	9,588	-	-	27	-	**9,615**
Consolidated total assets	24,694	5,358	12,065	6,242	7,408	**55,767**
Liabilities						
Segment liabilities	-	-	-	-	-	**-**
Financial liabilities	188	-	8	3,055	-	**3,251**
Consolidated total liabilities	188	-	8	3,055	-	**3,251**

3 Operating (loss)

	2017	**2017**	2016	2016
	Group	**Company**	Group	Company
Operating (loss) is arrived at after charging:	**$ 000's**	**$ 000's**	$ 000's	$ 000's
Auditors' remuneration – audit of Group and Company financial statements	**47**	**45**	47	47
Auditors' remuneration – audit of the Subsidiary financial statements	**6**	**-**	63	-
Directors' emoluments – fees and salaries	**656**	**656**	826	826
Directors' emoluments – share based payments	**-**	**-**	727	727
Currency exchange loss/(gain)	**(11)**	**(11)**	(5)	(13)
Bad debt provision	**91**	**-**	-	-
Loss on disposal/Depreciation	**51**	**-**	33	-

4 Employee information – Group

	2017	2016
Staff Costs comprised:	**$ 000's**	$ 000's
Wages and salaries (#)	**137**	298

(#) Wages and salaries incurred within the Nimini Holdings Limited ("group") have been in prior years capitalised as Mining exploration & evaluation costs in accordance with group policies. For the year ended 30 June 2017, these costs have been expensed as part of the current care and maintenance program in regards to the Sierra Leone exploration licences.

Average Number of employees (excluding Directors)	**Number**	Number
Exploration	**7**	23
Administration	**2**	2
	9	25

5 Investment income

	2017 Group	2017 Company	2016 Group	2016 Company
	$ 000's	**$ 000's**	$ 000's	$ 000's
Dividend income from investments	**59**	**-**	900	-
	59	**-**	900	-

6 Other income

	2017 Group	2017 Company	2016 Group	2016 Company
	$ 000's	**$ 000's**	$ 000's	$ 000's
Consultancy fees	**-**	**-**	37	-
	-	**-**	37	-

7 Finance revenue

	2017 Group	2017 Company	2016 Group	2016 Company
	$ 000's	**$ 000's**	$ 000's	$ 000's
Loan interest receivable	**266**	**266**	687	133
Loan commitment fees	**110**	**110**	-	-
Bank interest receivable	**7**	**7**	5	5
	383	**383**	692	138

Notes to the Financial Statements (continued)

For the year ended 30 June 2017

8 Directors' emoluments

Group	**2017**	2016
	$ 000's	$ 000's
Directors' remuneration	**656**	1,553

2017	**Directors Fees $ 000's**	**Consultancy Fees $ 000's**	**Share Options Issued $ 000's**	**Total $ 000's**
Executive Directors				
Michael Tang (*)	8	500	-	**508**
Non-Executive Directors				
Cheah Kian Meng	8	-	-	**8**
Gary Lye	8	132	-	**140**
	24	**632**	**-**	**656**

2016	**Directors Fees $ 000's**	**Consultancy Fees $ 000's**	**Share Options Issued $ 000's**	**Total $ 000's**
Executive Directors				
Michael Tang (**)	9	582	727	**1,318**
Non-Executive Directors				
Cheah Kian Meng	9	-	-	**9**
Gary Lye	9	217	-	**226**
	27	**799**	**727**	**1,553**

(*) The amount for consultancy services was paid to a company in which Michael Tang has an interest.

No pension benefits are provided for any Director.

9 Taxation – Group	**2017**	2016
Analysis of charge in year	**$ 000's**	$ 000's
Tax on ordinary activities	**-**	-

As an International Business Group, the British Virgin Islands imposes no corporate taxes or capital gains tax. However the Group may be liable for taxes in the jurisdictions of the underlying investments.

No deferred tax asset, or any deferred tax liability has currently been recognised during the year under review. In Sierra Leone there are tax losses accrued to date. However, the tax losses can be carried forward for a maximum period of ten years after the commencement of commercial production; and the related deferred tax asset can be recognized if the Company generates sufficient taxable profits within the stipulated period.

10 Dividends

No dividends were paid in the year to 30 June 2017. (2016: US$: Nil).

11 Loss per share

The calculation of earnings per share is based on the (loss) after taxation divided by the weighted average number of shares in issue during the year:

	2017	2016
(Loss) after taxation ($000's)	**(6,450)**	(31,157)
Weighted average number of Ordinary Shares used in calculating basic earnings per share (millions)	**311.79**	292.93
Basic (loss) earnings per share (expressed in US cents)	**(2.07)**	(10.64)
Weighted average number of Ordinary Shares used in calculating fully diluted earnings per share (millions)	**313.79**	296.93
Diluted (loss) earnings per share (expressed in US cents)	**(2.06)**	(10.49)

Notes to the Financial Statements (continued)

For the year ended 30 June 2017

12 Tangible assets – Property, Plant & Equipment

	Group		
	Mining exploration & evaluation costs	**Property, plant & equipment**	**Total**
	$ 000's	**$ 000's**	**$ 000's**
Cost			
As at 1 July 2015	47,015	169	47,184
Additions	1,062	-	1,062
Disposals	-	-	-
As at 30 June 2016	**48,077**	**169**	**48,246**
As at 1 July 2016	48,077	169	48,246
Additions	-	-	
Disposals	(46)	(169)	(215)
As at 30 June 2017	**48,031**	**-**	**48,031**
Depreciation & Impairment			
As at 1 July 2015	29,255	85	29,340
Depreciation charge	-	33	33
Exploration costs expensed	1,275	-	1,275
Impairment provision	13,000	-	13,000
As at 30 June 2016	**43,530**	**118**	**43,648**
As at 1 July 2016	43,530	118	43,648
Eliminated on disposal	-	(118)	(118)
Impairment provision	2,026	-	2,026
As at 30 June 2017	**45,556**	**-**	**45,556**
Net Book Value			
As at 30 June 2017	**2,475**	**-**	**2,475**
As at 30 June 2016	4,547	51	4,598

12 Tangible assets – Property, Plant & Equipment (continued)

Impairment Reviews

As at 30 June 2017, a further impairment amounting to US$2.0m has been recognized against the Nimini ("Komahun") evaluation and exploration assets. After the prior year decision of the directors of Nimini Holdings Limited having instructed the Boards of their subsidiary companies in Sierra Leone to commence an orderly withdrawal from Sierra Leone and to transfer ownership, right and title to the technical database of the Project to Nimini Holdings Limited, the directors of Nimini believe they have recoverable assets in the form of technical data, and as such have further written the value of costs relating to the exploration areas down accordingly to their estimated recoverable value.

As at 30 June 2016, a further impairment amounting to US$14.3m has been recognized against the Nimini ("Komahun") evaluation and exploration assets. The directors of Nimini Holdings Limited have instructed the Boards of their subsidiary companies in Sierra Leone to commence an orderly withdrawal from Sierra Leone and to transfer ownership, right and title to the technical database of the Project to Nimini Holdings Limited. The orderly withdrawal includes firstly the sale of vehicles and other movable assets and secondly envisages the termination of employment of all employees and staff with effect from 1 December 2016. Furthermore as detailed in Note 22, none of the licence renewal request have been paid by Nimini. The directors of Nimini believe they have recoverable assets in the form of technical data, and as such have written the value of costs relating to the exploration areas down accordingly.

Notes to the Financial Statements (continued)

For the year ended 30 June 2017

13 Investment in subsidiaries

Shares in Group undertakings	**2016**	2016
Company	**$ 000's**	$ 000's
Cost		
At beginning of the year	**-**	-
Additions (see note 24)	**-**	-
As at 30 June	**-**	-

As at 30 June 2017, the Directors are of the opinion that the carrying value of the subsidiaries, represents at least their fair and recoverable values.

The parent company of the Group holds more than 50 per cent of the share capital of the following companies as at 30th June 2017:

Company	**Country of Registration**	**Proportion held**	**Functional Currency**	**Nature of business**
Direct				
Polo Investments Limited	Guernsey	100%	US$	Investment Company
Polo Gold Limited	BVI	100%	US$	Holding Company
Polo Direction Limited	BVI	100%	US$	Holding Company
Andina Gold Corporation	BVI	62%	US$	Holding Company
Indirect				
Via Polo Gold Limited:				
Nimini Holdings Limited	BVI	90%	US$	Holding Company
Via Nimini Holdings Limited:				
Nimini Mining Limited	Sierra Leone	90%	US$	Mining Company
Matatoka Mining Limited	Sierra Leone	90%	US$	Mining Company
Via Polo Investments Limited:				
Perfectus Management Limited	RMI	98%	US$	Investment Company

Andina Gold Corporation

The Joint Venture in Colombian gold explorer Andina Gold Corporation was terminated in the year ending 30 June 2012, following unacceptable delays in the registration of licences, resulting in a loss of US$2.2 million. There still remains a secured recoverable value of approximately US$800,000, whereby the Company had expected to receive 50 per cent within 12 months, and the remainder in the following year. The Company now holds 62 per cent of Andina resulting from a settlement agreement with its former joint venture partner. The amount of US$800,000 remains outstanding as at 30 June 2017, and the Company previously commenced action to recover the outstanding balance due through legal channels and the successful Court Judgement found in the Companies favour. The Company expected to receive full settlement within the previous financial year, however the full amount due to the Company has not at the date of this report been paid and the Company continues legal action to recover this amount and costs.

As a result of the above the recoverable investment value was re-allocated to available for sale investments, within current assets in the prior year, as disclosed in Note 16.

14 Interest in associates

Group	2017	2016
	$ 000's	$ 000's
At beginning of the year	**4,883**	14,591
Investments in associates – equity purchases	**-**	2,166
Capital distribution from associate	**-**	(6,962)
Re-classification to subsidiary (see note 24)	**-**	(4,090)
Share of associates' (loss) for the year	**(1,799)**	(822)
Impairment charge (see below)	**-**	-
As at 30 June	**3,084**	4,883

The breakdown of the carrying values and fair values at 30 June 2017 of the Group's interest in listed and unlisted associates is as follows:

	Carrying Value	Fair Value
Non-current assets	**$ 000's**	**$ 000's**
GCM Resources Plc (listed)	**3,034**	**3,034**
Celamin Holdings NL (listed)	**50**	**50**
	3,084	**3,084**

In July 2017 Polo increased its stake in Celamin with additional shares of 595,979,557 following a share placement and loan conversion. Subsequent to the reporting date the market value of the investment in associates had increased significantly to US$13,146,000 as at 15 December 2017.

Impairment charge

The Directors have as at 30 June 2017 reviewed the carrying value of the Groups Associate Investments, and consequently on a review of available Market and/or Fair value's through the information available, assessed that there is no requirement to write down the carrying value of the Associate Companies in the current year (2016: nil).

Details of the Group associates at 30 June 2017 are as follows:

Name	Place of Incorporation	Proportion held	Date associate interest acquired	Reporting Date of associate	Principal activities
GCM Resources Plc	UK	22.38%	01/02/08	30/06/17	Coal exploration
Celamin Holdings NL	Australia	28.89%	18/12/14	30/06/17	Phosphate exploration

Summarised financial information for the Group's associates, where made publicly available, as at 30 June 2017 is given below:

	For the year ended 30 June 2017			As at 30 June 2017	
	Revenue £ 000's	**(Loss) £ 000's**	**Total comprehensive income £ 000's**	**Assets £ 000's**	**Liabilities £ 000's**
GCM Resources Plc	-	(1,006)	-	40,438	(2,029)

15 Available-for-sale investments	2017		2016	
	Group	**Company**	Group	Company
Listed & Unlisted Investments	**$ 000's**	**$ 000's**	$ 000's	$ 000's
At beginning of the year	**30,619**	**797**	21,834	797
Acquired during the year	**2,665**	**-**	17,425	-
Disposals during the year	**(1,505)**	**-**	(253)	-
Realised (loss)/gains on disposals	**(4)**	**-**	25	-
Acquired on business combination (see note 24)	**-**	**-**	4,984	-
Impairment of unlisted investment (see below)	**(325)**	**-**	(15,685)	-
Movement in market value	**1,713**	**-**	2,289	-
At 30 June	**33,163**	**797**	30,619	797
The available-for-sale investments splits are as below;				
Non-current assets – listed	**17,911**	**-**	14,792	-
Non-current assets – unlisted	**9,751**	**-**	10,660	-
Current assets – listed	**4,704**	**-**	4,370	-
Current assets – unlisted	**797**	**797**	797	797
	33,163	**797**	30,619	797

Available-for-sale investments comprise investments in unlisted and listed securities which are traded on stock markets throughout the world, and are held by the Group as a mix of strategic and short term investments. Subsequent to the reporting date the market value of the available-for-sale investments has increased to US$46,720,000 as at 15 December 2017.

Impairment of unlisted investments
The Directors have as at 30 June 2016 reviewed the carrying value of the Groups Unlisted Investments, and consequently on a review of available Fair value's through the information available, written down the carrying value of the following Unlisted Company Investments:

	2017 Impairment Charge $ 000's	2016 Impairment Charge $ 000's
Regalis Petroleum Ltd	**100**	14,738
Verolube Inc.	**225**	450
Equus Petroleum Ltd	**-**	497
Total impairment charge	**325**	15,685

16 Trade and other receivables

Current trade and other receivables	2017 Group $ 000's	2017 Company $ 000's	2016 Group $ 000's	2016 Company $ 000's
Other debtors	**2,010**	**1,064**	2,082	1,060
Loan due from Associates	**1,853**	**1,853**	134	134
Prepayments	**98**	**91**	233	217
Accrued income	**-**	**-**	-	-
Total	**3,961**	**3,008**	2,449	1,411
Non-Current trade and other receivables				
Loans due from subsidiaries	**-**	**164,867**	-	162,865
Provision in respect of subsidiaries loans	**-**	**(98,383)**	-	(95,931)
Net due from subsidiaries	**-**	**66,484**	-	66,934
Other loans	**3,757**	**3,757**	3,603	3,603
	3,757	**70,241**	3,603	70,537

Loans outstanding and due from subsidiaries, are interest free and repayable on demand.

Subsidiary Loan Provisions

As at 30 June 2017, the Directors have further assessed the carrying values of the Parent Company loans to its subsidiaries. As a result of the prior year decision to cease activities in Sierra Leone, the Directors have further provided another $2million against the loans to Nimini Holdings Ltd and Polo Gold Ltd. This further provision writes the loans down to an estimated recoverable value of $3million.

As at 30 June 2016, the Directors assessed the carrying values of the Parent Company loans to its subsidiaries. As a result of the decision to cease activities in Sierra Leone as detailed in the 2016 Annual Report and Strategic Review, the Directors determined a provision of US$44.9 million is required against the loans to Polo Gold Limited and Nimini Holdings Ltd. This provision writes the loans down to an estimated recoverable value of US$5million.

17 Trade and other payables

Current trade and other payables:	2017 Group $ 000's	2017 Company $ 000's	2016 Group $ 000's	2016 Company $ 000's
Trade creditors	**93**	**57**	82	42
Other loan (Note 23)	**2,940**	**-**	2,905	-
Accruals	**197**	**143**	264	146
	3,230	**200**	3,251	188

Notes to the Financial Statements (continued)

For the year ended 30 June 2017

18 Equity Contribution - Share capital

Authorised	**$ 000's**
Unlimited Ordinary Shares of no par value	-

Called up, allotted, issued and fully paid	**Number of shares**	**Nominal value $000's**
As at 1 July 2015	**276,940,309**	**-**
On 18 November 2015, shares issued for non-cash consideration, on acquisition of Blackham Resources Ltd from Perfectus Management Limited, issued at a price of 3.9pence per share.	25,016,484	-
On 9 June 2016, shares issued for non-cash consideration on acquisition of 49% shareholding in Perfectus Management Ltd, issued at a price of 15pence per share	9,832,358	-
As at 30 June 2016	**311,789,151**	**-**
No shares issued during the year.	-	-
As at 30 June 2017	**311,789,151**	**-**

There were nil shares issued during the year ended 30 June 2017 (2016: 34,848,842 shares issued). There were no shares cancelled during the year ended 30 June 2017 (2016: no shares cancelled).

Total share options in issue

During the year ended 30 June 2017, the Company granted no further options over Ordinary Shares. (2016: Nil options issued)

As at 30 June 2017 the unexercised options in issue were;

Exercise Price	**Expiry Date**	**Options in Issue 30 June 2017**
25p	13 May 2018	2,000,000
		2,000,000

2,000,000 options lapsed and no options were exercised during the year to 30 June 2017 (2016: 17,500,000 options lapsed). No options were cancelled during the year ended 30 June 2017 (2016: no options).

Total warrants in issue

During the year ended 30 June 2017, the Company granted no warrants to subscribe for Ordinary Shares. (2016: Nil). No warrants were exercised during the year to 30 June 2017 (2016: Nil), and no warrants lapsed during the year ended 30 June 2017. (2016: Nil).

As at 30 June 2017 no warrants were in issue (2016: Nil).

19 Share Based Payments

Under IFRS 2 'Share Based Payments', the Company determines the fair value of options issued to Directors and Employees as remuneration and Consultants as consideration and recognises the amount as an expense in the income statement with a corresponding increase in equity.

The following options were in issue and charged during the year ended 30 June 2017 according to their vesting period, all other options in issue, had been charged in previous years:

Name	Date Granted	Date Vested	Number	Exercise Price (pence)	Expiry Date	Fair Value at Grant Date (cents)
Michael Tang	14/05/2013	**See 1 below**	4,000,000	25p	13/05/2018	14.50
Expired options		**See 1 below**	(2,000,000)			
Totals			**2,000,000**			

1. The above share options shall vest in equal instalments annually on the anniversary of the grant date over a 3 year period, these options are now fully vested. The options are exercisable at any time after vesting during the grantees' period as an eligible option holder, and must be exercised no later than 24 months after the date on which each tranche of options respectively vested, after which the relevant tranche of options will lapse. Under certain performance conditions, any unvested options will vest immediately on the performance conditions being met.

The fair value of the options granted and vested during the year ended 30 June 2017 amounted to US$nil. The assessed fair value at grant date is determined using the Black-Scholes Model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. As a result of the expiry of 2 million options during the year, the amount of US$0.454million was transferred to retained earnings by way of a reserve transfer from the share option reserve.

The following table lists the inputs to the models used for the prior year ended 30 June 2016:

	14 May 2013 issue
Dividend Yield (%)	-
Expected Volatility (%)	60.0
Risk-free interest rate (%)	2.20
Share price at grant date (£)	0.2675

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

20 Analysis of changes in net funds

	2017		2016	
	Group	**Company**	Group	Company
	$ 000's	**$ 000's**	$ 000's	$ 000's
Balance at beginning of year	**9,615**	**9,589**	21,550	21,451
Net change during the year	**(5,605)**	**(5,585)**	(11,935)	(11,862)
Balance at the end of the year	**4,010**	**4,004**	9,615	9,589

21 Financial instruments

The Group uses financial instruments comprising cash, liquid resources and debtors/creditors that arise from its operations. The Group holds cash as a liquid resource to fund the obligations of the Group. The Group's cash balances are held in Sterling, US Dollars, Canadian Dollars and in Australian Dollars. The Group's strategy for managing cash is to maintain a mix of currencies and maximise interest income whilst ensuring its availability to match the profile of the Group's expenditure. This is achieved by regular monitoring of interest rates and monthly review of expenditure forecasts.

The Group has a policy of not hedging and therefore takes market rates in respect of foreign exchange risk; however it does review its currency exposures on an ad hoc basis. Currency exposures relating to monetary assets held by foreign operations are included within the foreign exchange reserve in the Group Balance Sheet.

The Group carefully considers on an ongoing basis the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation but controls over expenditure are carefully managed.

The net fair value of financial assets and liabilities approximates the carrying values disclosed in the financial statements. The currency and interest rate profile of the financial assets is as follows:

Cash and short term deposits	**2017**		2016	
	Group	**Company**	Group	Company
	$ 000's	**$ 000's**	$ 000's	$ 000's
Sterling	**281**	**281**	606	606
US Dollars	**1,903**	**1,897**	6,879	6,853
Australian Dollars	**450**	**450**	433	433
Canadian Dollars	**1,376**	**1,376**	1,697	1,697
At 30 June	**4,010**	**4,004**	9,615	9,589

The financial assets comprise cash balances in current and interest earning bank accounts at call and three month deposit. The financial assets earn a range of interest rates throughout the period depending on rates available and ongoing cash commitments at any one point in time.

21 Financial instruments (continued)

Currency risk

The Group has a policy of not hedging and therefore takes market rates in respect of foreign exchange risk. It does however review its currency exposure on a regular basis. All of the Group's active companies, including parent and subsidiaries all operate with a functional currency of US Dollar, and thus the majority of cash balances are now held in that currency.

Rates of exchange to US$ used in the financial statements were as follows:

	As at 30 June 2017	Average for the year to 30 June 2017	As at 30 June 2016	Average for the year to 30 June 2016
Australian Dollar (A$)	0.76627	N/A	0.74173	N/A
Canadian Dollar (CA$)	0.76776	N/A	0.76881	N/A
Pound Sterling (GB£)	1.29687	N/A	1.33949	N/A
Singapore Dollar(SGD)	0.72434	N/A	0.74056	N/A

Equity price risk

The Group held listed and unlisted investments classified as available for sale during the year. The listed equity investments were listed on various major stock exchanges around the world. The sensitivity analysis in respect of listed equity investments, was based on the assumption that if the respective market increased/decreased by 10 per cent, the equity share price of the relevant companies invested therein would move accordingly to the correlation with the market it is listed on.

Changes in market index %	Effect on profit after tax $ 000's	Effect on equity $ 000's
10%	-	2,262
(10%)	-	(2,262)

Notes to the Financial Statements (continued)

For the year ended 30 June 2017

22 Commitments & Contingent Liabilities

As at 30 June 2017, the Group had entered into the following material commitments:

Exploration commitments

As at 30 June 2017, Nimini Holdings Limited or its directly related subsidiary companies had no material commitments as a result of the prior year decision to cease operations in Sierra Leone.

23 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between other related parties are discussed below.

During the year ended 30 June 2017, Nimini Holdings Limited received a loan from Plinian Guernsey Limited (Plinian), who own 10 per cent of the ordinary share capital of Nimini. The loan is non-interest bearing and was advanced over the course of the year in respect of Plinian's contribution to all project expenditure during the period. The outstanding balance due at 30 June 2017 from Nimini to Plinian was US$2,940,000 (2016: US$2,905,000).

Remuneration of Key Management Personnel

The remuneration of the Directors, and other key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS24 Related Party Disclosures.

	2017	2016
	$ 000's	$ 000's
Short-term employee benefits	**656**	826
Share-based payments	**-**	727
	656	1,553

24 Business Combination

Acquisition of Perfectus Management Limited ("Perfectus")

On 9 June 2016, Polo Investments Limited acquired a further 49% of Perfectus, a company based in the Republic of the Marshall Islands with investments in listed companies for a total US$2,165,000 and gained control thereof by way of adding to its existing 49% shareholding previously acquired for US$2,777,000. The resultant negative goodwill of the acquisition is US$1.615million, has been credited to the income statement in the current year. The fair value of identifiable assets and liabilities of Perfectus as at the date of acquisition are:

	Book value	Fair value adjustment	Fair value
	$'000	$'000	$'000
Cash and cash equivalents	-	-	-
Trade & other receivables	928	-	928
Investments	4,984	-	4,984
	5,912	-	5,912
Other creditors	(91)	-	(91)
	(91)	-	(91)
Fair value of net assets			5,821
Non-controlling interest			(116)
Negative Goodwill			(1,615)
			4,090
Total Consideration:			
Shares issued in the current year			2,165
Carrying value of existing shareholding at acquisition date			1,925
			4,090
The cash outflow on acquisition was as follows;			
Net cash acquired with subsidiary			-
Cash paid			-
Net cash outflow			-

The Group held an existing 49% interest in Perfectus which was up to the date of the acquisition been equity accounted for as an associate company investment. At the date of the acquisition of the second 49% shareholding Perfectus had an equity accounted carrying value of $4,090,000. The Company had the right to purchase a further 49 per cent of Perfectus within the next two years for AUD 3 million to be satisfied by the issue or transfer to the vendor of ordinary shares in Polo at an agreed price of 15 pence per share, as a result of the previously agreed price, on exercising of the option and acquiring the further 49%, the resultant negative goodwill arose on the fair valued assets at the acquisition date.

25 Events after the end of the reporting period

There are no material events after the end of the reporting period to disclose.

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Polo Resources

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