

30 November 2018

Polo Resources

POLO RESOURCES LIMITED

(“Polo” or the “Company”)

GCM RESOURCES PLC – INVESTMENT UPDATE

Increase in short-term loan facility to £2.3 million

Polo Resources Limited (AIM: POL), the multi-sector investment company with interests in oil, gold, coal, copper, phosphate, lithium, iron and vanadium, announces a £1.2 million increase in an existing short-term loan facility of £1.1 million provided to its investee company GCM Resources Plc (“GCM”).

Prior to this amendment, the principal terms of the loan were: a loan facility of up to £1.1 million to be repaid within 90 days upon request and attracting an interest rate of 12% per annum. This existing loan facility has been fully drawn down. The revised terms provide for an increase in the loan facility amount by £1.2 million, to £2.3 million. The £1.2 million will be drawn down by GCM in equal quarterly instalments of £300,000. Polo (“the Lender”) will have the right to convert the outstanding loan balance to new ordinary shares of 10p each at a price of 11p per ordinary share within 14 days upon request. Any share issue to the Lender is conditional upon the Lender’s interest, together with the interest of any parties with which it is in concert, remaining below 30% of GCM’s issued capital. All other principal terms of the loan facility remain unchanged.

As announced on 26 November 2018, in-line with the company’s strategy, GCM has agreed a Memorandum of Understanding (“MOU”) with Power Construction Corporation of China, Ltd (“PowerChina”). The MOU provides a framework for a future relationship to develop the Company’s proposed coal mine as well as power plants generating up to 4,000MW at the mine site.

Under the MOU, the key objectives of the parties include a Joint Development Agreement by 31 December 2018 followed by a joint submission to the Government of Bangladesh, expected by 28 February 2019. This increased debt funding will be used by GCM in progressing towards these deadlines, to pursue a strategic partner for the development of the proposed coal mine as well as for working capital purposes.

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About the Company

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