

17 December 2008

**POLO RESOURCES LIMITED**

("Polo Resources" or "the Company")

**Ereen Mine Update**

Polo Resources (AIM:PRL), the mining company focused on developing coal assets in Mongolia, announces that it is scaling back the ramp up of production at its Ereen coal mine in Mongolia as a result of the deteriorating coal market in Asia. The Company planned to reach coal production of 90,000 tonnes per month in 2009 but will postpone full production until such time that new marketing arrangements have been put into place to ensure the sales of Ereen coal. The Company's ongoing exploration programme in the South Gobi Coal Basin is unaffected and remains on schedule.

**Neil Herbert, deputy Chairman, said:**

"The timing of the ramp up of production at our Ereen coal mine has unfortunately coincided with a significant and un-anticipated deterioration in the Asian coal market, which has affected our ability to achieve coal sales from Ereen.

"We have significantly slowed the pace of the planned ramp up in mine production and will consider slowing it further in 2009, while alternative coal marketing opportunities and potential strategic partnerships are evaluated. Ereen is a low-cost producer of high quality thermal coal and we are confident that short term factors affecting the sale of Ereen coal in the Asian market will only be temporary and will not affect the longer term viability of the mine."

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**About the Company**

Polo is an emerging energy company focused on acquiring and developing advanced stage coal and uranium properties in Asia, Australia and Africa. For complete details on Polo Resources Limited, management encourages investors and interested parties to view its public documents at [www.poloresources.com](http://www.poloresources.com).

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