

29 October 2010



Polo Resources Limited
("Polo" or "the Company")

Extension of Loan Facilities to Caledon Resources plc

Polo Resources Limited (AIM and TSX: POL) is pleased to announce that it has agreed to an extension of the loan facility agreements entered into with Caledon Resources plc ("**Caledon**") in connection with:

- a facility of up to A\$4 million dated 27 April 2010 (and amended on 1 June, 7 June and 24 June 2010); and
- a facility of up to £18 million dated 27 April 2010 (and amended on 7 June and 24 June 2010) (together the "**Loan Facilities**").

Amendment of Loan Facilities

The parties to the Loan Facilities have agreed to amend the Loan Facilities as follows:

- In satisfaction of the requirements of the ASX (to which Caledon is subject), Polo undertakes that if an event of default occurs and Polo becomes entitled to exercise its rights under the charge granted to Polo over the shares in Hazlehurst Holdings Limited, a wholly owned subsidiary of Caledon (the "**Charge**"), Polo and any of its related entities will not acquire any legal or beneficial interest in any of the assets the subject of the Charge in full or part satisfaction of the amounts owing to Polo under the Loan Facilities, or otherwise deal with those assets (save that Polo may enforce its rights under the Charge and sell the assets to an unrelated third party on arm's length commercial terms and conditions, or by appointing a receiver, or receiver and manager over those assets), without Caledon first having complied with any applicable ASX listing rules, including listing rule 10.1.
- The maturity dates for each of the Loan Facilities are extended from 31 October 2010 to the earlier of:
 - (a) 28 February 2011; or
 - (b) in the event that the offer period (as defined in the City Code on Takeovers and Mergers ("**Takeover Code**") relating to Caledon which commenced on 17 September 2010) ("**Offer Period**") ends or Caledon announces it is no longer in offer discussions with a third party or an announcement is made pursuant to Rule 2.8 of the Takeover Code in connection with Caledon (whether or not such announcement is made by Caledon) ("**Offer Announcement**"), the date, if earlier than 28 February 2011, which is the later of:
 - (i) 60 days from the date on which the Offer Period ends or an Offer Announcement is made; or
 - (ii) 31 January 2011,provided that in no event will the maturity date be any later than 28 February 2011.
- In consideration of Polo extending the maturity dates Caledon will pay an additional facility fee of £550,000 which shall be payable on the date the Loan Facilities are repaid to Polo.

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About the Company

Polo Resources is a natural resources investment company focused on investing in undervalued companies and projects with strong fundamentals and attractive growth prospects. The Company will primarily invest in companies with producing assets and/or resources and reserves that have been verified under internationally recognised reporting standards. For complete details on Polo Resources: www.poloresources.com.

CAUTIONARY STATEMENT

The AIM Market of London Stock Exchange plc does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. All statements, other than statements of historical fact, in this news release are forward-looking statements that involve various risks and uncertainties, including, without limitation, statements regarding potential values, the future plans and objectives of Polo Resources Limited. There can be no assurance that such statements will prove to be accurate, achievable or recognizable in the near term. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Polo Resources Limited assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.