

For immediate release

19 May 2008

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

Preliminary Approach to GCM Resources plc

Polo Resources Limited ("Polo") (AIM:PRL) which owns 29.72% of the issued shares of GCM Resources plc ("GCM") (AIM:GCM) confirms that it has made an approach to the board of GCM as announced by GCM this morning, which may or may not lead to an offer being made by Polo for GCM.

The approach to GCM is a pre-conditional cash offer for all the issued and to be issued share capital of GCM at 175p per share (which represents an approximately 50.7% premium to the volume weighted average price for the 20 trading days ending on 16 May 2008) and is subject to financing. Such an offer would be consistent with Polo's strategy of building a significant and diversified portfolio of coal producing, development and exploration assets. Polo intends to work with the management of GCM and, if a formal offer is made, intends to seek shareholder approval to change its name to GCM Resources Limited.

Polo wishes to make it clear that its approach is subject to the arrangement of necessary funding. This announcement does not amount to a firm intention to make an offer and, accordingly, there can be no certainty that any offer will be made even if the necessary funding is arranged.

A further announcement will be made as appropriate.

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CanaccordAdams Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority for investment business activities, is acting exclusively as financial adviser to Polo Resources Limited and no one else in connection with the possible offer and will not be responsible to anyone other than Polo Resources Limited for providing the protections afforded to clients of CanaccordAdams Limited or for providing advice in relation to the possible offer or any other matters

referred to in this release.

Responsibility

The Directors of Polo Resources Limited accept responsibility for the information contained in this announcement and to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information in the announcement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Dealing Disclosure requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of GCM all "dealings" in any "relevant securities" of GCM (including by means of an option in respect of, or a "derivative" referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of GCM, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all "dealings" in "relevant securities" of GCM by Polo or GCM or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the City Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.