



Polo Resources Limited
(“Polo Resources” or “the Company”)

Production to commence at Ereen Coal Mine in Mongolia

Polo Resources Limited (AIM:PRL), has approved a capital investment of approximately US\$9 million at its Ereen coal open-pit mine and has commissioned trial mine production of 500,000 tonnes of ore over the six months beginning October 2008. Trucking permits have been received and construction of a 32km haulage road is underway to the town of Erdenet in northern Mongolia where there are loading facilities for the Trans-Siberian Railway. Orders for trial mining equipment which includes haulage trucks, excavators and caterpillars have been placed.

To date 14 polycrystalline diamond drill holes have been completed and further drilling is taking place to define a mineral resource. Initial coal specifications indicate thermal coal with calorific values of more than 6,000 kcal/kg received and tests for coking content are currently underway. The thermal coal specifications indicate very low moistures and ash content which is in demand by the local power industry to increase the calorific value of the blend of brown coals used for power generation. Production from the trial mine has been contracted for sale at commercial rates to Erget Copper Mine in Mongolia.

Neil Herbert, Deputy Chairman of Polo Resources, said:

“We are very pleased to be starting our first coal mining operation in Mongolia so quickly after the purchase of Ereen earlier this year. The commencement of the production on the Ereen Coal Mine will also provide valuable operating experience in the country before we reach the development stage of our much larger coal projects in the South Gobi Coal Basin.”

The samples were submitted to the internationally accredited Central Laboratory Services in Mongolia. Ereen coal returned the following specifications:

Water	
Total	4.79%
Inherent	2.33%
Ash (ad)	10.47%
Volatile (ad)	39.89%
Sulphur (ad)	1.08%
Q (ad) kcal/kg	6,611
Q (daf) kcal/kg	7,568

The information contained in this announcement has been reviewed by Paul Ingram, CEO & Director of Polo, P.Geo, AIMM, MICA, BSc Geo. Mr. Ingram has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Qualified Person for the purposes of this announcement.

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Company Information

Polo Resources (AIM:PRL) (www.poloresources.com) is focused on the development of its coal projects in Mongolia where it holds a substantial license areas with known coal occurrences. The Company plans to start first production at its Ereen Coal Mine in 2008 and has several drill and exploration programmes ongoing to evaluate its other license areas in the South (South Gobi Coal Basin) and East of Mongolia. Polo Resources also has a significant license area with uranium occurrences which is currently subject to an exploration programme. Polo Resources is well funded with cash of approximately US\$105 million.

Polo Resources also holds strategic interests of approximately 29% of the issued share capital of GCM Resources plc (AIM:GCM) (www.gcmplc.com) and approximately 25% of the issued share capital of Caledon Resources plc (AIM:CDN; ASX:CCD) (www.caledonresources.com). GCM Resources plc is developing a coal mine and power plant project in Bangladesh and Caledon Resources plc has an operating coal mine in western Australia.

Polo Resources has an issued share capital of 1,874,239,816 ordinary shares with a further 104,050,400 ordinary shares issuable on the exercise of options or warrants.

CAUTIONARY STATEMENT

The AIM Market of the 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 the future plans and objectives of Polo Resources Limited. There can be no assurance that such statements will prove to be accurate. 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.