

31 May 2016



POLO RESOURCES LIMITED
("Polo" or the "Company")

POLO INVESTS IN UNIVERSAL COAL RESOURCES

Polo Resources Limited ("Polo" or "Company"), the natural resources investment company with interests in oil, gold, coal, copper, phosphate, iron and vanadium, is pleased to announce that its subsidiary, Polo Investments Limited ("PIL"), has entered into a secured S\$5,000,000 nominal value 15 per cent redeemable convertible note ("Note") with Universal Coal Resources Pte Ltd ("Universal").

Universal is a company incorporated in Singapore, which, in turn, has entered into a conditional agreement to acquire an indirect 75 per cent interest in PT Transcoal Minergy Coal Project ("TCM"), a company incorporated in Indonesia, from a Pan Asia Corporation Ltd. (ASX: PZC) subsidiary.

TCM is the owner of a Production Operation Mining Business Licence (being an Indonesian business licence), in respect of a mining concession area in Mantewe District, Tanah Bumbu Regency, South Kalimantan Province, Indonesia. This comprises of 3,440 hectares ("TCM Coal Project") and is a major coal producing province in Indonesia. The TCM Coal Project is focussed on developing a two million tonnes ("Mt") per annum underground mine delivering a high quality Bituminous Coal saleable product of some 6,200 kcal/kg specific energy (GAR – Gross as Received). The current JORC Resource of 129 Mt (measured, indicated and inferred)* has been derived from the southern area of the concession and there is potential to upgrade and increase the resource base through drilling the northern area. TCM's production permit extends to April 2028. Further drilling and a full final feasibility study are required to be completed and forestry approval obtained prior to commencement of mine development. The TCM Coal Project will utilise existing coal transportation infrastructure including a 50 kilometre haul road to the river port at Batulicin, a major coal shipping centre.

Universal is targeting a Singapore Stock Exchange Catalist Board listing and the Note entitles Polo to convert the principal outstanding plus any accrued interest into not less than 20 per cent of the share capital of Universal as enlarged by such conversion at any time up to 18 months from draw-down, or earlier upon the receipt of approval in principle to list. The funding under the Note will enable Universal to undertake value adds to the TCM Coal Project in addition to progressing its proposed listing. The Note is repayable 18 months from draw-down unless previously converted.

The Note is secured by TCM and underwritten by a personal guarantee and undertaking by Mr Boelio Muliadi, an Indonesian national and major shareholder of Universal, guaranteeing the repayment by Universal of the principal amount and any accrued interest and undertaking to meet all the funding requirements of Universal and the TCM Coal Project for the proposed listing on or before 31 December 2017.

**The information was prepared and first announced to the ASX on 8 November 2012 under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The estimates of coal resources were carried out in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (December 2004).*

For further information, please contact:

Polo Resources Limited Kudzayi Denenga, Investor Relations	+ 27 (0) 787 312 919
ZAI Corporate Finance Ltd (<i>nominated adviser</i>) Ray Zimmerman, Peter Trevelyan-Clark	+44 (0) 20 7060 2220
Liberum Capital (<i>broker</i>) Christopher Britton	+44 (0) 20 3100 2000
Blytheweigh (<i>public relations</i>) Tim Blythe, Camilla Horsfall	+44 (0) 207 138 3204

About the Company

Polo Resources Limited is a natural resources 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