

17 December 2014



POLO RESOURCES LIMITED

(“Polo” or the “Company”)

RESULTS FOR THE YEAR ENDED 30 JUNE 2014

Polo Resources Limited (AIM: POL), the natural resources exploration investment company with interests in oil and gas, gold, coal, iron ore, phosphate and copper, today announces results for the 12 months ended 30 June 2014.

Financial Summary

- Combined total of cash, receivables, payables, listed and unlisted equity investments of US\$117.8 million as of 12th December 2014.
- Net Asset Value per share as at 12th December 2014 was approximately 27.2 pence per share.
- Value of unlisted investments amounted to US\$75.6 million and long term listed investments marked to market value amounted to US\$6.6 million as at 12 December 2014.
- Loss on ordinary activities after taxation of US\$19.1 million, significantly attributable to prudent provision against Nimini’s Sierra Leone Gold project of US\$28.2 million and goodwill write-off of \$2.8million, following the ebola crisis and weak gold price outlook.

Operational Highlights

- **Nimini Holdings Limited**
 - Nimini filed an independent Mineral Resource Estimate (“MRE”) for its Komahun Gold Project (“Komahun”) in eastern Sierra Leone in August 2013, which included a significant increase in Mineral Resources at the Komahun Deposit. The MRE resulted in an Indicated Mineral Resource of 0.55 million ounces (“Moz”) (3.65 million tonnes (“Mt”) at a gold grade of 4.69 grammes per tonne (“g/t”)) and an Inferred Mineral Resource of 0.34 Moz (2.61 Mt at a gold grade of 4.08 g/t), and was restricted to potentially mineable Mineral Resources at a 2.4g/t cut-off grade.
 - Field programmes have identified targets for future drilling both proximal to the Komahun Deposit and within the greater Mining Licence area.
 - The Environmental and Mining Licences for Komahun were renewed for 2014/2015.
 - The Mine Development Agreement (“MDA”), which will establish the legal, fiscal and operating regimes for the development and commercial exploitation of

Nimini's gold project, was executed by the Minister of Mines and Mineral Resources in February 2014. However, Nimini was subsequently advised by the Minister that Government of Sierra Leone ("GoSL") requires certain of the terms to be re-negotiated.

- The outbreak of the ebola virus, the subsequent state of emergency declared to combat the virus, GoSL's focus on that issue and restrictions on travel to Sierra Leone, have unfortunately resulted in the MDA negotiations having to be postponed and site activities being ceased. As soon as the situation improves the primary focus will be to conclude the MDA negotiations such that the MDA can be put before the Sierra Leone Parliament for ratification.
- Signet Petroleum Limited
 - On 12 February 2014 the Company announced that Signet had concluded the sale of its interests in Block 2913A/2914B in Namibia to Shell Exploration and Production in a confidential transaction, and thereafter, implemented a dividend in specie and a share buy-back offer. Polo received approximately US\$22.8 million in respect of the buy-back (equivalent to approximately 5.1 pence per Polo share) which was reinvested in the Company to help unlock value in the existing portfolio as well as being available to acquire further undervalued and high potential assets in accordance with its investing policy.
- Celamin Holdings NL
 - In March 2014, the Company acquired a strategic 12.7 per cent stake in Celamin Holdings NL (ASX: CNL), an ASX listed company holding phosphate interests in Tunisia. In December 2014 Polo increased its interest in Celamin to 33.23 per cent.
 - Celamin is advancing a bankable feasibility study on the Chaketma phosphate project, Tunisia. Drilling to date has intersected thick mineralised zones averaging over 15 metres at favourable depths, outcropping at surface in places and at grades that generally exceed 20 per cent phosphorous pentoxide (P₂O₅). Independent metallurgical studies have verified the potential to produce marketable concentrate acceptable to international offtakers.
- Blackham Resources Limited
 - In March 2014, the Company acquired a 4.2 per cent interest in ASX listed West Australian gold explorer Blackham Resources Limited (ASX: BLK). In May 2014, Polo increased its interest in Blackham from 4.2 per cent to a combined direct and indirect holding of 11.85 per cent.
 - Blackham has a substantial prospective exploration package with a combined host JORC Resource of 40 Mt at an average grade of 3.3 g/t gold for 4.3 Moz.
- Weatherly International Plc
 - In November 2014, the Company subscribed for new shares in Weatherly International Limited (AIM: WTI), an AIM traded mining, development and exploration company focusing on Copper in Namibia representing an interest of approximately 7.06 per cent in Weatherly's enlarged issued share capital.
 - In accordance with terms of the Subscription Agreement with Weatherly, Polo has the right to subscribe for a further 51,984,748 Weatherly ordinary shares at the subscription price of 2.925 pence per share, before 7 February 2015 which would increase Polo's interest to approximately 12.88 per cent of Weatherly's enlarged issued share capital.

- Weatherly's Namibian copper assets include the Otjihase and Matchless producing underground operations and the open pit Tschudi Project which is expected to be in production in the second quarter 2015. Tschudi is designed to produce 17,000 tonnes of copper cathode per year with an 11 year mine life.

Michael Tang, Executive Chairman of Polo, said:

"The year under review has been one that has seen Polo significantly strengthen its balance sheet and cash reserves from our oil and gas investments.

"As we head into the next reporting period, with an expanded portfolio which includes exposure to near term cash generating investments, Polo remains strong in the face of challenging price and market volatility.

"Through our transaction driven business model, the Company offers investors a, more balanced risk investment exposure to the metals, mining and energy sectors."

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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, refer to: www.poloresources.com.

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. 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 assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

The Company's exploration and investment activities may also be affected by a number of risks, including legal, political, environmental, economic, financing, permitting, commodity, exploration and development and other market risks which are normal to the industry and referenced in greater detail in the Company's 2013 Annual Report for the period ending 30 June 2013, which may be found on the Company's website at profile on www.poloresources.com.

Chairman's Statement

The past financial year has been extremely challenging for the resources sector. However, in recent months a more positive view has appeared in the market following statements from international organisations, such as the International Monetary Fund, reporting that they expect the situation of strengthening global activity to improve through 2015.

In order to maximise our capability for new investments we initially undertook a review of corporate overheads and portfolio holding costs and I am pleased to report that we were able to make significant cost reductions, without compromising our ability to support existing investments. In addition, the sale of Signet Petroleum Limited's ("Signet") Namibian assets helped to improve our cash position allowing Polo to emerge from the recent period of resources sector downturn to have the financial means to capitalise on investment opportunities. This is a great position for the Company to be in given the difficulties in raising capital in this weak market environment.

Polo's Board focused on opportunities stemming from the period of depressed commodity prices that has seen companies with good assets having financial difficulties. We identified sectors having the best chance for an early supply / demand gap and hence price rise and value volatility. This, we found, was particularly evident in the Gold, Phosphate and Copper sectors, however, other sectors were also of interest. Over the past six months alone we reviewed more than 40 investment opportunities, several remain on our close watch list and three were chosen for investment. These new investments are an exciting addition to Polo's portfolio.

2014 New Investments:

Gold: In March Polo announced that it had participated in a share placement in ASX listed West Australian gold explorer Blackham Resources Limited ("Blackham") (ASX: BLK), and that this had resulted in an interest of approximately 4.2 per cent. In May we increased our interest in Blackham which resulted in a combined direct and indirect effective holding in Blackham of 11.85 per cent.

Blackham is an exciting gold project focused on development of its 100 per cent owned Matilda Gold Project in the Goldfields Region of Western Australia. Its acquisition of the adjacent Wiluna Gold Project tenements and well maintained processing plant has positioned Blackham as a near-term gold producer with highly prospective and extensive exploration tenements. The consolidated Matilda and Wiluna projects host a JORC Resource of 40 Mt at an average grade of 3.3 g/t gold for 4.3 Moz, with a land holding of 780 square kilometres and 55 kilometres of potentially mineralised strike length.

Blackham is currently pursuing additional funding aimed at delineating additional high grade areas and moving the Project from Pre-feasibility to Bankable Feasibility.

Phosphate: Also in March 2014, Polo announced it had taken up a placement giving a strategic 12.7 per cent stake in ASX listed Celamin Holdings NL ("Celamin") (ASX: CNL) which has phosphate interests in Tunisia (Chaketma Phosphate Project). In November 2014, Polo decided to increase its stake in Celamin by participating in a Renounceable Rights Offer as a sub-underwriter bringing Polo's total interest to 33.23 per cent. This will enable Celamin to progress the Chaketma Project through Pre-feasibility to completion of a Bankable Feasibility Study ("BFS") by the end of next year.

Given its importance in fertiliser production, we view the phosphate sector as a growth area to support increasing agricultural production in a world of increasing population. Phosphate prices have been relatively stable and trending upwards over 10 years and the Chaketma Project has a large high grade resource which is amenable to straight forward open pit mining and recent metallurgical tests confirm high recovery producing an easily marketable concentrate. The

Chaketma Project represents a pioneering step in that it is the first corporate exposure to phosphate in the very significant North African phosphate region.

Copper: Post financial year end in November 2014, Polo announced its first foray into the copper sector through a Subscription Agreement with AIM listed Weatherly International Plc (“Weatherly”) (AIM: WTI), an emerging mining, development and exploration company focused on copper in Namibia. Under this arrangement, Polo’s interest is 7.06 per cent, with provision to increase to approximately 12 per cent.

Weatherly’s Namibian copper assets include the Otjihase and Matchless producing underground operations and the open pit Tschudi Project which is expected to be in production in the second quarter 2015. The Tschudi Project will recover copper through well proven heap leach, solvent extraction and electro-winning processing (“SX-EW”). The Tschudi Project is fully financed and on schedule. It represents a step-jump for Weatherly and is set to produce 17,000 tonnes of copper cathode per year with an 11 year mine life. In addition, Weatherly holds a 25 per cent interest in AIM traded China Africa Resources Plc (AIM: CAF) which has completed a Pre-feasibility for its high grade zinc, lead, silver and vanadium deposit in Northern Namibia.

Existing Main Investments:

Oil and Gas: Signet remains the corner stone of Polo’s oil and gas interests. In mid-2013 Signet commenced its “Strategic Alternatives” review process to examine the best way to realise value from its African oil and gas asset portfolio. The review attracted wide interest including international oil majors and is on-going.

In February 2014, Signet announced it had concluded the sale of its interests in Block 2913A/2914B in Namibia to Shell Exploration and Production in a transaction that saw the implementation of a dividend in specie and a share buy-back offer. Polo received proceeds of US\$22.8 million in respect of the buy-back (equivalent to approximately 5.1 pence per Polo share) which was reinvested in Polo to help unlock value in its existing portfolio as well as to acquire undervalued and high potential assets.

Signet’s remaining assets include: 80 per cent in the Mnazi Bay North licence offshore Tanzania, 90 per cent interest in Block 03 offshore Benin, 87.5 per cent interest in Block C Lake Tanganyika Burundi and 10 per cent interest in Block SL-7A-10 offshore Sierra Leone.

Gold: We continue to support the Sierra Leone focused gold exploration company Nimini Holdings Limited (“Nimini”) in which Polo holds a 90 per cent interest.

Nimini filed an independent Mineral Resource Estimate (MRE) for its Komahun Gold Project in August 2013, showing a significant resource increase. The MRE reported an Indicated Mineral Resource of 0.55 Moz (3.65 Mt of ore at gold grade 4.69 g/t) and an Inferred Mineral Resource of 0.34 Moz (2.61 Mt of ore at gold grade 4.08 g/t), for a potentially mineable Mineral Resources at 2.4 g/t cut-off grade. Field programmes have also identified targets for future drilling both proximal to the Komahun deposit and within the greater Mining Licence area.

Nimini’s Environmental and Mining Licences remain in good stead. The Mine Development Agreement, which will establish the legal, fiscal and operating regimes for the development and commercial exploitation of Nimini’s gold project, was executed by the Minister of Mines and Mineral Resources in February 2014. However, Nimini was subsequently advised by the Minister that the Government required certain terms to be re-negotiated ahead of ratification by parliament. Nimini was in the process of seeking clarification when the Ebola outbreak occurred and efforts were put on hold.

As the world now knows, Sierra Leone has been hard hit by the Ebola outbreak and the Government forced to declare a state of emergency. Nimini has made a financial contribution to the Government’s Ebola fund and has taken steps to ensure the safety of its staff. Polo wishes

the Government and people of Sierra Leone the very best in their efforts to combat this terrible virus.

The state of emergency also means that travel to / from and within the country is very difficult. The impact on the resource sector has been significant with major players running into financial difficulty. Nimini has moved to a care and maintenance footing until the crisis is over.

In the interest of prudence, Polo undertook a provision against Komahun evaluation and exploration assets amounting to US\$28.2 million and goodwill write off of US\$2.8 million relating to the acquisition of Nimini.

Iron and Vanadium: Polo maintains a 15.16 per cent interest in Ironstone Resources Limited (“Ironstone”), which is continuing its work on defining the Hatch-Ironstone Chloride Segregation Process for its Clear Hills Iron Ore/Vanadium project in Alberta, Canada. There have been very encouraging results from pilot testing program covering ore preparation, calcination, iron reduction and iron segregation stages of the process flow sheet carried at Hazen Research (extractive metallurgical research centre, Golden Colorado). Based on the success of the metallurgical work Ironstone intends to commence a Preliminary Economic Assessment (“PEA”).

Coal: Polo has a 27.8 per cent equity interest in GCM Resources Plc (“GCM”), which is advancing the development of the major Phulbari Coal Project (“Project) in Northwest Bangladesh. Polo has continued to support GCM in its efforts to advance the Project and in August 2013 participated in a placing initiated by GCM which secured further working capital.

GCM has been successful in lifting local community support for the Project and we are encouraged by the recent moves by the Government of Bangladesh to pave the way for open pit mining to extract coal. The country has a well-defined need for new reliable commercial energy sources and the Government has adopted a Power Sector Master Plan where coal is factored in to fuel over 50 per cent of the country’s power generation.

I would like to thank all our shareholders for their continuing support.

Michael Tang
Executive Chairman
16 December 2014

Investment Update

Gold

Blackham Resources Limited

- Gold, Western Australia
- Coal, Southwest Australia
- Combined direct and indirect holding of 10.65 per cent

Matilda Gold Project:

Incorporated in 2006, Blackham Resources (ASX: BLK) is an Australian exploration company focused on the development of gold projects in Western Australia and coal projects in Southwest Australia.

The Matilda Gold Project incorporates over 780 square kilometres of tenements including Regent, Galaxy and the Matilda and Williamson Gold Mines containing total JORC resources of 40 Mt @ 3.3 g/t for 4.3 Moz @ 3.3 g/t for 4.3 Moz Au.

In March 2014, Blackham completed the acquisition of the neighbouring 1.3 Mt per annum plant, 12 megawatt ("Mw") gas power station, camp and related infrastructure which sits in the middle of the expanded Matilda Gold Project. Blackham's entire 4.3 Moz gold resource sits within a 20 km radius of its 100 percent owned plant. Blackham is now focused on extending the mine life beyond five years with a view to getting the Matilda Gold Project into production as soon as possible.

Metallurgical testwork on the Galaxy deposits also commenced during the period. Historical artisanal mining in the early 1900's provides confidence the Galaxy mineralisation is free-milling similar to the other quartz ore bodies previously processed through the WGP plant. Mining and processing studies of the Galaxy, Matilda, Williamson and remnant stockpiles were advanced during the second quarter of 2014.

Outstanding high-grade Galaxy results

9m @13.4 g/t Au from 73m	(GARC0027)
2m @28.9.4 g/t Au from 23m	(GARC0024)
4m @8.68 g/t Au from 4m	(GARC0030)
6m @8.82 g/t Au from 13m	(GARC0037)

Further high grade extensions to Matilda Mine

7m @11.9 g/t Au from 244m	(M1 – MARC0166)
4m @10.3 g/t Au from 20m	(M1 – MARC0168)

Evaluation of drill database and field work identifies high grade quartz vein targets all within 5km of the gold plant Matilda Environmental Licence.

After the period end, in September 2014, Blackham reported that the Department of Environment and Regulation ("DER") has transferred the Environmental Protection Act 1986 licence to Matilda Operations Pty Ltd, a 100 per cent owned subsidiary of Blackham. The licence primarily allows for the processing of ore, mine dewatering extraction and discharge plus other activities required

for the operation of the site. This is another step towards bringing its 4.3 Moz Matilda Gold Project into production.

Matilda Gold Resources:

The Matilda Gold Project Resource Estimate was updated in January 2014, with the new interpretations and modelling completed at the Matilda Mine and Galaxy Deposits. The Estimate now totals 23.7 Mt at 19g/t for 1.4 Moz Au including 520,000 oz in the Measured and Indicated Resource categories.

Mining Centre	Measured			Indicated			Inferred			Total		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Matilda Mine	0.1	2.4	9	4.7	2.0	300	8.2	1.7	450	13.0	1.8	760
Williamson Mine				2.7	1.7	150	3.6	1.7	200	6.3	1.7	350
Regent				0.7	2.5	61	3.1	2.1	210	3.9	2.2	270
Galaxy							0.6	2.9	52	0.6	2.9	52
Total	0.1	2.6	9	8.1	2.0	510	16	1.8	910	24.0	1.9	1,400

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location shape and continuity of the occurrence and on the available sampling results. The figures in table 1 above are rounded to two significant figures to reflect the relative uncertainty of the estimate. (For JORC Table 1 information please see Blackham's ASX announcement on 23 January 2014.

Wiluna Gold Plant Resources:

In March 2014 Blackham completed the acquisition of the neighbouring Wiluna Gold Plant ("WGP") and associated 1.5Mtpa gold plant, 12Mw gas power plant, 350 person accommodation village, borefields and infrastructure. The WGP includes an Indicated and Inferred Resource of 16.7 Mt @ 5.3 g/t for 2.8 Moz Au (Table 2).

Lode	Indicated			Inferred			Total		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Henry 5 - Woodley - Bulletin	2.1	5.9	404	0.8	4.6	112	2.9	5.6	516
Burgundy - Calais	1.3	6	250	0.3	5.7	58	1.6	6.0	309
East Lode	1.2	5.4	213	2.6	5.5	453	3.8	5.4	667
West Lode Calvert	1.2	5.3	198	2.3	5.3	383	3.4	5.3	581
Happy Jack - Creek Shear	1.5	5.9	289	1.3	4.8	205	2.9	5.4	494
Other Desoposits	0.8	4	109	1.3	4.1	172	2.1	4.1	281
WGP Total	8.2	5.6	1,465	8.6	5.0	1,384	16.7	5.3	2,848

The figures in Table 2 above are rounded to two significant figures to reflect the relative uncertainty of the estimate. All deposits estimated by Ordinary Kriging using lower cut off grades of 0.5g/t for oxide and 3g/t for transition and fresh material.

Nimini Holdings Limited

- Gold, Sierra Leone
- 90 per cent equity interest

Polo holds a 90 per cent interest in the Komahun Gold Project with the remaining 10 per cent being held by Plinian Guernsey Limited. Plinian Capital Limited is project operator. The project, which covers a 100 square kilometre area and includes the former Nimini West and Nimini East exploration licences, was granted a 25-year Mining Licence in November 2012.

In June 2013, Nimini completed an updated independent Mineral Resource Estimate for the Komahun Deposit. The MRE, undertaken by The MSA Group (Pty) Ltd, resulted in an Indicated Mineral Resource of 0.55 Moz (3.65 Mt at a gold grade of 4.69 g/t) and an Inferred Mineral Resource of 0.34 Moz (2.61 Mt at a gold grade of 4.08 g/t). The MRE, reported at a minimum true width of 1 metre and a cut-off grade of 2.4 g/t of gold, is restricted to potentially mineable Mineral Resources. Comparing this MRE with the previous estimate released in June 2012 and at the same cut-off grade of 1.8 g/t, Indicated Mineral Resource ounces increased by 21 per cent and Inferred Mineral Resource ounces by 60 per cent.

More detail is provided in the Company's press release dated 1 July 2013 and a copy of the Technical Report, released on 15 August 2013, may be obtained from the Polo website.

A programme of surface exploration through mapping, pitting and trenching was conducted during the period by Nimini's geological team. This work was carried out both in proximity to the Komahun Deposit and further afield within the Mining Licence. Trenching confirmed the presence of structurally controlled quartz veins mineralised with gold in an area where, despite abundant artisanal alluvial mining activities, no in-situ gold mineralisation had been previously encountered. This target, identified with the assistance of the geophysical interpretation of the induced polarisation survey carried out in 2013, represents a new zone with the potential to expand the current resource base at Nimini and add to future mine production. Surface mapping suggests that there is potential for additional discoveries to be made in the footwall and hanging wall areas of the Komahun Deposit. In addition, detailed analysis of existing drill core and geological data has been carried out to enable more detailed observations to be made in the area of the current Mineral Resource with the objective of guiding future drilling programmes aimed at increasing resources at and adjacent to the Komahun Deposit. The targets for future drilling resulting from these programmes have been compiled into an internal report on the exploration potential to guide future exploration programmes.

Nimini continues to support the surrounding communities through the implementation of the Community Development Action Plan ("CDAP"). The CDAP has ensured that the community continues to engage with and support the project in a constructive and positive manner. Several projects proposed by the community were completed during the year; these included educational and vocational scholarships for young people living in the project area, the construction of town meeting places, toilet facilities, fresh water pumps and agricultural support schemes.

The Environmental and Mining Licences were renewed for 2014/2015.

Negotiations with the Government of Sierra Leone ("GoSL") took place in respect of a Mine Development Agreement, which, *inter alia*, sets out the fiscal terms under which the project will operate. The MDA was executed by the Minister of Mines and Mineral Resources in February 2014. It was then expected to be put before Parliament for ratification. However, the Minister subsequently advised that there are certain issues in the MDA which the Government requires to be renegotiated. It is unfortunate that the ebola outbreak, the resultant state of emergency, GoSL's focus on combatting the outbreak and travel constraints have required those negotiations to be put on hold. As soon as circumstances permit, the negotiations will take place as a priority. When we are in a position to announce Parliamentary ratification of the MDA, the principal terms will be published in a press release and on the Polo website. Shortly after ratification, it is expected that the Preliminary Economic Assessment ("PEA") for the Komahun Deposit will be updated, the key results announced and subsequently the NI43-101 compliant document will be issued.

Site activities have recently been curtailed as a result of the ebola outbreak and will remain so until the situation reverts to reasonable normality. The exploration camp and assets are protected by full time security staff and are being maintained in working order.

Nimini has pro-actively assisted in the community to enhance awareness of ebola and advise of precautionary measures. Subsequent to year end, contributions have been made to GoSL and the community to assist in combatting the spread of ebola,

A provision against the Nimini (Komahun) evaluation and exploration assets amounting to US\$28.2 million, and goodwill write off of US\$2.8 million, relating to the acquisition of Nimini (2013: Nil) were recognised. Although the group still intends to develop this area further, there were a number of impairment indicators under IFRS 6 including changes in the external environment (such as gold price), a reduction in activity during the year as the asset was mainly on a care and maintenance basis, present difficulties in operating in Sierra Leone and draft findings of a PEA. As such an impairment test was performed which calculated the recoverable amount applying a mineral resource based multiple. The PEA was not advanced enough to use as a discounted cash flow model. The resource based multiple was calculated based on an average of similar gold mining groups in Africa and their calculated enterprise value and amount of mineral resources (measured, indicated and inferred). A recoverable amount of US\$20.0 million was determined based on the group's mineral resources of 0.9 Moz.

Polo remains committed to keeping Nimini in good stead such that the project can move forward when the environment improves.

In January 2014, Nimini gave notice to the authorities in Sierra Leone of surrender of the Matotoka Exploration Licence. This will allow Nimini to focus its resources on its core asset at Komahun. The write-off of Matotoka exploration and evaluation costs is US\$0.97 million.

Phosphates

Celamin Holdings NL

- Phosphate, Tunisia
- 33.23 per cent

Celamin is advancing a BFS on the Chaketma phosphate project in Tunisia. Celamin holds a 51 per cent interest in the licences along with its Tunisian partner holding 49 per cent.

Drilling to date has intersected thick mineralised zones averaging over 15 metres at favourable depths, outcropping at surface in places and at grades that generally exceed 20 per cent phosphorous pentoxide ("P₂O₅"). Metallurgical studies have verified the potential to produce marketable concentrate acceptable to international offtakers.

Positive Scoping Study results were announced on 14 August 2012. A maiden JORC Inferred Resource was announced for the Kef El Louz prospect on 9 November 2012 and for the Gassaa Kebira prospect in June 2013.

Celamin has been working with GEOS Mining Services to identify the additional work required to further upgrade and delineate the JORC resources within the Chaketma permit area. Inferred JORC resources for two of the six prospects that make up the Chaketma Project already stand at 130 Mt at a grade of 20.5 per cent P₂O₅ contained in two separate Inferred Mineral Resources: 37 Mt at 21 per cent P₂O₅ is located at the Kef El Louz (North) prospect and 93 Mt at 20.3 per cent P₂O₅ located at the neighbouring Gassaa Kebira prospect in the north of the tenement. This underpins the potential for an operating mine life of over 35 years, based on the 2012 Scoping Study findings, and takes no account of the significant potential which lies within the other four prospects.

After the reporting period, in August 2014, Celamin announced the formal approval of the work plan and budget for the first phase of the BFS for the Chaketma Project.

The first phase of the BFS will focus specifically on the project's key risk factors, and will include the following:

- Upgrading the current Mineral Resource from the Inferred category to Measured and Indicated, to cater for the first 10 years of production;
- Continuation of the project's Environmental and Social Impact Assessment;
- Next phase of metallurgical test work to provide confirmation, and optimisation, of the reliable recovery of phosphate to saleable product specifications;
- Confirmation of the availability of sufficient water to support the proposed future mining operations at the project;
- Confirmation of the availability of major infrastructure requirements to support the project;
 - Port/rail/road access; and
 - Access to required energy sources (electricity and natural gas).

Celamin expects to progress the Chaketma Project through Pre-feasibility to completion of the BFS by the end of next year.

Copper

Weatherly International Plc

- Copper, Namibia
- 7.06 per cent with provision to increase

In 2006, Weatherly acquired the assets of Ongopolo, a Namibian copper producer, including a major undeveloped resource known as Tschudi.

In the wake of the 2008 global financial crisis, work on the project was suspended and, it was not until December 2009 that the company published its preliminary pit optimisation study. Throughout 2011 and 2012 Weatherly made progress with feasibility studies which started to show that the ore body, including the deeper ore, was amenable to direct leaching using sulphuric acid. Up until then, it was assumed that the deeper ore would be treated using conventional flotation, smelting and refining, which was a significant breakthrough at the time.

By the end of 2012 the company was able to publish a BFS based on an open pit mine using heap leach, solvent extraction and electro-winning to produce high quality copper cathodes.

The BFS was completed in December 2012 and the financial results were announced together with the funding from Orion Mine Finance (then Red Kite). At the time, the BFS resulted in a Net Present Value (at eight per cent discount rate) of US\$105 million based on an average Life of Mine and copper price of US\$6,067 per tonne of copper.

Tschudi is an open pit that is expected to mine 190 million tonnes of ore and waste over its 11 year mine life. The mine has a proven and probable JORC ore reserve of 22.7 million tonnes of ore at a grade of 0.95 per cent copper.

The ore will be processed using acid leaching, SX-EW technology. This is a proven process that bypasses the conventional concentrating and smelting steps to produce refined copper. Using this approach, the company expects output to average 17,000 tonnes of copper cathode annually.

Oil and Gas

Signet Petroleum Limited

- Oil and Gas Projects, Africa
- 42 per cent equity interest

The investment in Signet Petroleum forms part of the balanced risk investment strategy Polo has across the natural resources sector. During 2014, Signet disposed of its investment in Namibia which has served to both strengthen Polo's cash reserves whilst at the same time enabled Signet to work to secure further opportunity in the oil and gas sector in Africa. During the period under review, Signet launched a process to examine strategic alternatives, led by First Energy Capital LLP. The process remains ongoing.

In March 2014, following the sale of its 75 per cent interest in block 2913A/2914B in Namibia to Shell, Signet returned the capital not required for ongoing operations and investments by way of a share buyback offer.

Polo received US\$22.8 million (5.1p per share) under the share buyback. Polo accepted the offer in respect of its entitlement and its holding in Signet remains unchanged at 42 per cent following completion of the buyback.

Signet undertook an internal reorganisation and implemented a dividend in specie under which Polo received 42 per cent of two new entities. The first structure holds a potential contingent bonus right on the sale of Signet's interests in block 2913A/2914B in Namibia which is dependent on future resources / reserve levels. A second structure has been formed aligned to the dividend to progress further investments. In June 2014 Signet participated in share placement in the independent oil and gas company Regalis, under which Signet acquired 444,445 shares in Regalis at a price of US\$2.25 per share for a total consideration of US\$10 million giving it an interest in approximately 9 per cent in Regalis Petroleum's share capital. Following the investment, Polo's undiluted interest in Regalis increased from its current holding of 7 per cent to a combined direct and indirect holding of 11 per cent in Regalis.

Signet Namibia's investment in Regalis, whilst not the transaction originally contemplated, gives the potential to further increase the return on Polo's original Signet investment and a net asset value increase attributable to the disposal of Signet's Namibian assets still remains with Polo and our shareholders, through our investment exposure to Signet and Regalis.

The First-Energy Capital LLP led strategic alternatives process remains ongoing for the remainder of the Signet portfolio, which includes:

- An 80 per cent operated interest in the Mnazi Bay North licence offshore Tanzania which 2D and 3D seismic indicates to contain an up dip extension of the BG/Ophir Chaza 1 gas discovery as part of a broader portfolio of prospects and leads;
- A 90 per cent operated interest in Block 03 offshore Benin;

- An 87.5 per cent operated interest in Block C in Lake Tanganyika Burundi where Signet has established an early mover position in a basin with close analogy to the Albertine Basin; and
- A 10 per cent interest, carried until the first exploration well, in Block SL-7A-10 offshore Sierra Leone in the Equatorial Atlantic Margin with possible analogues to deepwater discoveries in Ghana.

Regalis Petroleum Limited

- Oil and Gas Projects, Africa
- Combined direct and indirect holding of 11 per cent

Polo's interest in the private and independent oil and gas company, Regalis Petroleum Limited ("Regalis"), offers upside potential as Regalis works to acquire and develop key oil concessions in Chad, Namibia and other countries in sub-Saharan Africa.

In June 2014, Regalis raised US\$10 million from Signet Nigeria at a price of US\$2.25 per share which has given the company sufficient funds for it to operate into the first quarter of next year. The US\$2.25 price is the same issuance price as the circa US\$30 million raised since mid-2012 including the placements by institutional investors and the existing shareholders in multiple funding rounds since that time.

Polo holds a direct 7 per cent interest in Regalis and holds a further 4 per cent indirect interest through Signet Petroleum.

Regalis holds a 70 per cent operating interest in Block 2813B offshore Namibia and is in the late stage of finalizing a joint venture for a 72.5 per cent working interest in three prospective exploration blocks in the Republic of Chad for which the company is planning to drill an exploration well in early 2015. The recently raised funds and future funding will be applied to the drilling program. Further details will be provided once the necessary Governmental approval process is complete.

Equus Petroleum Plc

- Energy and Petroleum, Kazakhstan
- 1.95 per cent equity interest

Equus Petroleum Plc ("Equus"), is a Kazakhstan energy and petroleum company that operates oil and gas exploration and production activities in Central Kazakhstan through its Kazakh subsidiary Kumkol Trans Service LLP.

Equus is developing the Sarybulak oilfield, located within its 498-square kilometre licence in the oil producing South Turgay Basin, Central Kazakhstan. Sarybulak has been in operation since 2008 under a Pilot Production Licence, a component of the Exploration Licence, with all production to date being sold into the domestic market.

Equus has constructed a central oil and gas processing facility in the field supporting the production that averaged 6774 (barrels of oil per day ("bopd")) in 2014 under natural flow conditions, peaking at over 8,500 bopd. The majority of production came from the Sarybulak oilfield, with increasing contributions coming from Sorkol.

Sorkol has been granted a Pilot Production License and it is expected to contribute further to total field production in 2015 (Sorkol appraisal drilling well under progress).

Winter production levels have fluctuated between 6,500 and 7,500 bopd, as a result of weather and transportation restrictions. Export sales will commence following receipt of the production contract.

Iron Ore and Vanadium

Ironstone Resources Limited

- Iron Ore, Vanadium and Precious Metal Projects, Canada
- 15.16 per cent equity interest

Ironstone is a private Canadian company which owns the Clear Hills Iron Ore/Vanadium Project ("Clear Hills") in Alberta, Canada.

Currently the Clear Hills NI 43-101 compliant resources are categorised as follows:

- Indicated: 557 million tonnes iron, with an average grade of 33 per cent of iron
1.45 billion pounds of vanadium (as vanadium pentoxide)
- Inferred: 96 million tonnes of iron, with an average grade of 33 per cent of iron

Ironstone is continuing its work on defining the Hatch-Ironstone Chloride Segregation process for the Clear Hills Project. Pilot testing has been completed through ore preparation, calcination, iron reduction and iron segregation stages of the process flow sheet development with very encouraging results. Current work at Hazen Research (Golden, CO) is focused on completion of the mineral processing segment of the flow sheet in advance of Ironstone commissioning its PEA.

The PEA is a National Instrument level document, prepared by an independent qualified person that performs a preliminary analysis at the economics of the Clear Hills polymetallic project, incorporating estimates of capital and operating expenses, to determine expected IRR and NPV. Anticipated to be completed in 2015, this document is an important precursor in attracting further institutional support, in order to raise funding for Ironstone's proposed major processing pilot campaign at FL Smidth (Bethlehem, PA) on commercial scale equipment in H2 2015. This month-long campaign will conclude the pilot testing phase of process flow sheet development on iron reduction and vanadium concentration.

In addition to the iron process development, Ironstone has commissioned further analytical work on extracting and concentrating of the vanadium from the tails after iron separation. Results to date have exceeded Ironstone's early objectives, with preliminary testing to be completed in November. The vanadium work is expected to be incorporated in the PEA.

Ironstone is also collaborating with North American Coal Corp. (www.nacoal.com), which has entered into a Services Agreement to provide technical advisory services and eventual contract mining operations. After a site visit in October this year, NACoal has commenced work on a mine plan for both coal and iron ore.

The Alberta government participated in a business mission to Asia in October 2014 and has exhibited at the China Mining Conference in Tianjin and the Exploration Exchange in Beijing, where it represented Ironstone's Clear Hills project to prospective strategic investors. Strong interest has been shown in Ironstone's Clear Hills project, specifically in how its products are targeted to China's eventual move to less polluting electric furnace steel-making and the

country's recent emphasis on renewable energy development. In addition, Ironstone is in exploratory discussions with interested commodity buyers in Asia for future off-take agreements.

Early stage infrastructure development discussions have been held with independent rail companies seeking to build and operate the 70 kilometre rail spur to connect to the main CN Rail line to the east of the mine and proposed mill site, in addition to an independent power producer with innovative technology to capture waste heat and other process fuels to generate electricity. A conceptual plan to capture the Clear Hills waste heat and process fuels is in being developed for Ironstone which will serve to demonstrate the potentially significant energy credit Ironstone expects to realize through implementation of this energy conversion technology.

Ironstone has recently engaged a US-based specialised investment banking firm servicing the mining, metals and other industries in North and South America and Europe. Since 1997, this company has advised numerous companies regarding acquisitions, mergers, divestitures, and joint ventures, and has provided analysis of strategic options, valuations and fairness opinions. The objective is to seek alignment with a strategic investor with mining industry experience in a joint venture to advance through the next several phases of development including the planned demonstration pilot plant to full commercialization of the Clear Hills project.

Coal

GCM Resources Plc

- Coal Projects, Bangladesh
- 27.8 per cent equity interest

GCM has identified a world-class coal resource of 572 million tonnes (JORC compliant) in Northwest Bangladesh, called the Phulbari Coal Project. The Project is a substantial coal resource with potential to support a long life, low cost mining operation and is the only such deposit in Bangladesh that has been subjected to a full Feasibility Study, including an Environmental and Social Impact Assessment prepared to international standards. The Project has the potential to produce high quality export grade coal at competitive average stripping ratios and low operating costs, for an initial estimated 35 year mine life. Polo has continued to support GCM in its efforts to advance the project and in August 2013 participated in a placing initiated by GCM which secured further working capital.

Financial Review

The purpose of this review is to provide a further analysis of the Company's consolidated 2014 results and the main factors that affected this financial performance. The Financial Review should be read in conjunction with the financial statements and associated notes.

During the year, the Group made a loss on ordinary activities after taxation of US\$19.1 million (2013: loss of US\$16.2 million). This loss was significantly contributed by a provision against the evaluation and exploration assets of its 90 per cent owned gold project in Sierra Leone amounting to \$28.2 million, and goodwill write-off of \$2.8 million, relating to its acquisition. It should be remembered that this headline figure is not necessarily indicative of a weakening financial performance as such variances are in the very nature of a natural resource investment company whose strategic focus extends further than a single reporting year. In the previous financial year, Polo increased its stake in Signet from 21.7 per cent to 46.9 per cent (since reduced to 42 per cent) through an issue of shares at a cost of US\$15.72 million and invested a further US\$20 million into further developing the gold project.

Basic loss per share for the year ended 30 June 2014 was US\$7.07 cents (2013: basic loss per share of US\$6.03 cents).

Focus sectors for our portfolio of investments in this reporting period centre largely on investments across the oil, gas, gold and phosphate sectors. In the 2013/14 financial year, the board has continued to support the on-going development of its key assets and acquired new investments.

Following the sale of Signet's interests in Block 2913A/2914B in Namibia to Shell Exploration and Production in a confidential transaction, implemented a dividend in specie and a share buy-back offer. Polo received approximately US\$22.80 in respect of the buy-back (equivalent to approximately 5.1 pence per Polo share). The aforementioned proceeds compared favourably to the historic cost of Polo's investment in Signet of US\$42.7 million when considered against Signet's remaining portfolio of oil and gas assets.

In March 2014, Polo announced take up of a placement by Celamin, an ASX listed company holding phosphate interests in Tunisia, representing a strategic 12.7 per cent stake in the expanded fully paid capital of Celamin for an investment of A\$1.2 million. The Company also participated in a placement in ASX listed West Australian gold explorer Blackham, under which the Company acquired 4.2 per cent of Blackham's enlarged undiluted issued ordinary share capital for a total consideration of A\$1 million. In May 2014, Polo increased interest in Blackham Resources for A\$1 million cash and A\$2 million in new share allotment, increasing its investment in Blackham to a combined direct and indirect holding of 11.85 per cent.

The Board of Polo is sensitive to the impact of current market sentiment towards junior exploration-stage resource companies and of the correction in the prices of many commodities, such as gold, during the reporting period under review. Whilst these factors have combined to create a difficult operating environment across the board for junior resource companies, Polo's strategy of developing a broad-based portfolio of projects and investments capable of delivering positive shareholder returns has enabled the Company to retain the financial flexibility to optimise asset value over the medium and longer-terms. Against this backdrop, Polo reported a decrease in Company administrative expenses to US\$2.2 million (2013: US\$3.3 million) which is reflective of Polo's focus on prudent financial management and use of available resources during the current difficult economic environment. Further savings are anticipated in the current year to 30 June 2015.

Financial Position

The Directors have reviewed the Group's budgets for 2015, as well as longer-term financial cash flow projections and have considered a range of different scenarios together with their associated risks and uncertainties, and the impact of these scenarios on the Company's cash balances. Additionally, the Directors have assessed the likelihood of future funding requirements. Based on these activities, the Directors are satisfied that the Company maintains a strong financial position from the date of the signing of these financial statements, enabling Polo to take a flexible approach to the acquisition and disposal of investments.

At the date of this report, 12th December 2014, the Group had a net position of cash, receivables and short term investments of US\$35.6 million. Combined value of unlisted investments amounted to US\$75.6 million and long term listed investments marked to market value amounted to US\$6.6 million. The combined total of cash, receivables, payables, listed and unlisted equity investments was therefore US\$120.1 million as of 12th December 2014 on this basis which is equivalent to a Net Asset value of approximately 27.2 pence per Polo share.

Outlook

Polo continues to press ahead with its strategic investment activities and will allocate further financial resources to key investments on the basis of anticipated future returns.

Although all natural resource investments remain vulnerable to near-term market instabilities, the Company remains positive about the longer-term fundamentals of the resource sector and am particularly focused on achieving near-term returns which in turn will strengthen our financial position. The Company will continue to keep shareholders advised as and when developments are confirmed.

Group Statement of Comprehensive Income for the year ended 30 June 2014

	Year ended 30 June 2014 \$ 000's	Year ended 30 June 2013 \$ 000's
(Loss) on sale of investments	(1,317)	(7,542)
Investment income	4,324	390
Reversal of (Provision) for loss on option	742	(742)
Administrative & Exploration expenses	(2,199)	(3,302)
Share options expensed	(290)	(2,467)
Currency exchange gain/(loss)	50	(21)
Goodwill written off	(2,815)	-
Expensed exploration costs on disposal	(971)	-
Impairment of exploration and evaluation costs	(27,255)	-
Group operating (loss)	(29,731)	(13,684)
Share of associates results	10,423	(3,456)
Finance revenue	196	590
Other income	-	372
(Loss) before taxation	(19,112)	(16,178)
Income tax expense	-	-
Retained (loss) for the year	(19,112)	(16,178)
Other comprehensive income		
(Loss)/profit on revaluation of available for sale investments	(3,142)	3,892
Transfer to income statement of available for sale investments	-	7,471
Currency translation differences	354	(606)
Other comprehensive income for the year net of taxation	(2,788)	10,757
Total comprehensive income for the year	(21,900)	(5,421)
Retained (loss) for the year attributable to:		
Equity holders of the parent	(16,280)	(16,173)
Non-controlling interests	(2,832)	(5)
	(19,112)	(16,178)
Total comprehensive income for the year attributable to:		
Equity holders of the parent	(19,008)	(5,416)
Non-controlling interests	(2,832)	(5)
	(21,900)	(5,421)
(Loss) earnings per share (US cents)		
Basic	(7.07)	(6.49)
Diluted	(6.55)	(6.33)

Group Balance Sheet as at 30 June 2014

	30 June 2014		30 June 2013	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
ASSETS				
Non-current assets				
Intangible assets	-		2,815	
Tangible assets	19,802		44,190	
Interest in associates	59,462		68,370	
Available for sale investments	24,743		23,728	
Trade and other receivables	3,342		4,689	
Total non-current assets		107,349		143,792
Current assets				
Trade and other receivables	273		169	
Available for sale investments	9,284		3,027	
Cash and cash equivalents	30,583		21,890	
Total current assets		40,140		25,086
TOTAL ASSETS		147,489		168,878
LIABILITIES				
Current liabilities				
Trade and other payables	(3,841)		(5,469)	
TOTAL LIABILITIES		(3,841)		(5,469)
NET ASSETS		143,648		163,409
EQUITY				
Equity contribution	303,059		301,210	
Retained earnings	(179,010)		(162,730)	
Available for sale investment reserve	821		3,963	
Foreign exchange reserve	18,013		17,659	
Share based payments reserve	2,123		1,833	
		145,006		161,935
Non-controlling interest		(1,358)		1,474
TOTAL EQUITY		143,648		163,409

These financial statements were approved by the Board of Directors on 16 December 2014 and signed on its behalf by:

Michael Tang
EXECUTIVE CHAIRMAN

Kian Meng Cheah
NON-EXECUTIVE DIRECTOR

Group Cash Flow Statement for the year ended 30 June 2014

	Year ended 30 June 2014 \$ 000's	Year ended 30 June 2013 \$ 000's
Cash flows from operating activities		
Operating (loss)	(29,731)	(13,684)
(Increase)/decrease in trade and other receivables	(104)	1,838
(Decrease)/increase in trade and other payables	(1,628)	1,217
(Increase)/decrease in available for sale investments	(9,149)	6,218
Foreign exchange (gain)/loss	(50)	21
Share options expensed	290	2,467
(Reversal of)/provision for loss on option	(742)	742
Goodwill written-off	2,815	-
Depreciation & impairment	28,226	11
Net cash (out)flow from operating activities	(10,073)	(1,170)
Cash flows from investing activities		
Finance revenue	63	424
Other income	-	372
Taxation paid	-	(1,808)
Net receipts for investments in associates	21,180	-
Payments to acquire tangible assets	(3,838)	(22,012)
Loan repayments from third party	1,404	-
Net cash in/(out)flow from investing activities	18,809	(23,024)
Cash flows from financing activities		
Issue of ordinary share capital	-	-
Net cash (out)flow from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	8,736	(24,194)
Cash and cash equivalents at beginning of year	21,890	42,017
Exchange (loss)/gain on cash and cash equivalents	(43)	4,067
Cash and cash equivalents at end of year	30,583	21,890

Group Statement of Changes in Equity for the year ended 30 June 2014

	Equity contribution	Available for sale investment reserve	Foreign currency translation reserve	Share based payment reserve	Retained earnings	Total	Non- controlling interest	Total equity
Group	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
As at 1 July 2012	285,491	(6,729)	15,646	1,314	(146,557)	149,165	1,479	150,644
(Loss) for the year	-	-	-	-	(16,173)	(16,173)	(5)	(16,178)
(Loss) on revaluation of available for sale investments	-	3,892	-	-	-	3,892	-	3,892
Transfer to income statement	-	7,471	-	-	-	7,471	-	7,471
Currency translation differences	-	(671)	2,013	-	(1,948)	(606)	-	(606)
Total comprehensive income	-	10,692	2,013	-	(18,121)	(5,416)	(5)	(5,421)
Share based payments	-	-	-	2,467	-	2,467	-	2,467
Share options cancelled	-	-	-	(1,948)	1,948	-	-	-
Shares issued	15,719	-	-	-	-	15,719	-	15,719
Total contributions by and distributions to owners of the Company	15,719	-	-	519	1,948	18,186	-	18,186
As at 30 June 2013	301,210	3,963	17,659	1,833	(162,730)	161,935	1,474	163,409
(Loss) for the year	-	-	-	-	(16,280)	(16,280)	(2,832)	(19,112)
(Loss) on revaluation of available for sale investments	-	(3,142)	-	-	-	(3,142)	-	(3,142)
Currency translation differences	-	-	354	-	-	354	-	354
Total comprehensive income	-	(3,142)	354	-	(16,280)	(19,008)	(2,832)	(21,900)
Share based payments	-	-	-	290	-	290	-	290
Shares issued	1,849	-	-	-	-	1,849	-	1,849
Total contributions by and distributions to owners of the Company	1,849	-	-	290	-	2,139	-	2,139
As at 30 June 2014	303,059	821	18,013	2,123	(179,010)	145,006	(1,358)	143,648

The audited financial information for the years ended 30 June 2014 and 30 June 2013 contained in this document do not constitute statutory accounts as defined in the BVI Business Companies Act 2004. The comparative financial information is based on the statutory accounts for the financial year ended 30 June 2013. Those accounts, upon which the auditors issued an unqualified opinion, are available on the Company's website. The financial information for the year ended 30 June 2014 has been extracted from the financial statements of Polo Resources Ltd which will be available on the Company's website in due course. The auditors have issued an unqualified opinion on the Group's statutory financial statements for the year ended 30 June 2014. The preliminary announcement was approved by the Board of Directors on 16 December 2014.