

For immediate release

15 May 2008



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

### **Option to Acquire Interest in Australian Coal Exploration Licences**

**Polo Resources Limited (AIM:PRL)**, the coal focused exploration and investment company with interests in Mongolia and Bangladesh, announces that it has entered an option agreement (the "**Option Agreement**") with Baradine Bay Pty Limited ("**BBL**"), a private limited company registered and incorporated in Australia, giving the Company the option to acquire an 80 per cent. interest in 'Exploration Permits for Coal' 1097 and 1098 (the "**Coal Permits**") owned by BBL.

The Coal Permits cover 1,725 square kilometres of the edge of the Galilee Basin of central Queensland, Australia and are centred on a single drillhole (BEA 315) drilled in 1996 for gold exploration. The hole encountered six metres of coal at a vertical depth of 41m beneath transported Tertiary cover. The coal appears to be situated in a sub-basin related to the Galilee Basin. To the south west in the Galilee Basin proper, a number of companies, including Xstrata, are actively exploring for and developing coal resources.

Preliminary testwork shows that the coal, which is classified as low rank, low-medium ash, low-medium energy, high volatile thermal coal, is suitable for domestic thermal usage. The seam is relatively shallow, and until more drilling is undertaken, the geology is uncertain. The project crosses the main Mt Isa – Townsville rail line and is 270km from the Abbot Point coal terminal. Whilst domestic usage is envisaged, export coal may be a possibility. Polo plans to commence drilling on the project by mid-year 2008.

As consideration for the option the Company has:

- paid BBL a cash consideration of US\$150,000 and agreed to allot and issue, as fully paid, US\$250,000 worth of ordinary shares in the Company to BBL, based on the weighted price of ordinary shares in the Company for the 14 days preceding the date of the Option Agreement; and
- agreed to undertake A\$300,000 of drilling and exploration activities on the land covered by the Coal Permits in the six months following grant of the option to Polo.

If the Company chooses to exercise the option it has agreed to pay to BBL a further cash consideration of US\$300,000, and allot and issue, as fully paid, further ordinary shares in the Company worth US\$700,000. On exercise of the option, the Company and BBL will enter a joint venture agreement setting out the ongoing management and financing obligations of each party which shall in both cases reflect the 80/20 split.

The Directors of Polo Resources believe that the Option Agreement provides the Company with a strategic interest in a highly prospective area of Australia, and enables the Company to broaden its portfolio of exploration coal assets by diversification into countries with a reputation for having a positive approach to the development of mining projects.

Application will be made for the initial consideration of 1,117,391 shares to be admitted to trading on AIM on or about 21 May 2008, following which Polo Resources' enlarged issued share capital will amount to 1,171,739,816 ordinary shares.

**Stephen Dattels, Executive Chairman of Polo Resources, said:**

*"Polo Resources continues to build a portfolio of coal and uranium interests alongside the development of its wholly-owned coal and uranium exploration and mining projects in Mongolia. This deal gives the Company entry into Australia, a country we have been targeting for some time."*

**Contacts:**

<b>Polo Resources Limited</b> Paul Ingram, <i>Chief Executive Officer</i>	+ 61 418 77 3510
<b>Canaccord Adams Limited</b> Mike Jones	+ 44 (0) 20 7050 6500
<b>Financial Dynamics</b> Ben Brewerton / Ed Westropp	+ 44 (0) 20 7831 3113

**About the Company**

Polo is an emerging energy company focused on acquiring and developing advanced stage coal and uranium properties in Asia, Australia and Africa. For complete details on Polo Resources Limited, management encourages investors and interested parties to view its public documents filed on AIM Exchange at [www.poloresources.com](http://www.poloresources.com).

**CAUTIONARY STATEMENT**

The AIM Exchange 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.

**ENDS**