



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

Updated Gold Resource and Initiation of Pre-Feasibility Study

Polo Resources Limited (AIM, TSX: POL), the natural resources exploration investment company with interests in coal, gold, iron ore and oil and gas, today announces a significant increase in the gold resource estimate at its 90 per cent owned Nimini - Komahun Gold Project in Sierra Leone ("Komahun").

The new independent estimate by SGS Canada Inc. is based on the results of 68 new diamond drill holes totalling 11,528 metres ("m") that have been drilled since the previous resource estimation undertaken in 2008 by SRK Consulting (UK) Ltd on behalf of AXMIN Inc., the previous owner of the property.

Highlights

- Indicated resource increased 374% to 521,000 troy ounces ("ounces") of gold (3.528 million tonnes at a grade of 4.59g/t)
- A further 20,000 metres of drilling is now in progress
- Pre-Feasibility Study at Komahun scheduled for completion in Q1 2013
- Results of a Versatile Time-Domain Electromagnetic ("VTEM") survey conducted across the Nimini licences have been analysed and interpreted, resulting in nine new high priority targets being identified

Neil Herbert, Executive Co-Chairman of Polo Resources, commented:

"We are pleased that work since September 2008 has resulted in a 374 per cent increase in gold ounces contained in the indicated resource category.

"Komahun is one of Polo's leading projects, demonstrating gold mineralisation with excellent potential for early mine development. A Pre-Feasibility Study is scheduled for completion in the first quarter of 2013 and the pace of drilling is to be increased with the addition of a third rig shortly. The study will be based on an additional 20,000 metres of core drilling designed to infill the inferred resource and extend the indicated resource. A large part of the Nimini licences area is unexplored and further exploration is planned following positive results from a recent VTEM survey."

The table below summarises the new resource estimate:

Global Indicated and Inferred Resource at the Nimini Project as at February 20, 2012

Indicated Resource			
Tonnes	Gold Grade (g/t)	Contained Gold (ounces)	Net Attributable Gold (ounces)
3,528,000	4.59	521,000	468,900
Inferred Resource			
Tonnes	Gold Grade (g/t)	Contained Gold (ounces)	
2,248,000	3.64	263,000	236,700

1. The Komahun project is operated by Plinian Capital Limited
2. Canadian Institute of Mining (CIM) standards were followed for estimating mineral resource
3. The Qualified Person for the Nimini Mineral Resource estimates is Yann Camus, Eng., from SGS Canada
4. Estimation was based on a total of 239 drill holes and 170 trenches through February 20, 2012
5. Assay grades were capped at 40 grammes per tonne ("g/t") and composited to 1.5 m length
6. Block dimensions were 1 m by 5 m by 10 m with grades estimated by inverse distance squared interpolation
7. Variable rock specific gravities were applied based on 6,735 measurements on different rock types
8. Resource is reported at a 1.8 g/t Au cut-off grade

A complete independent technical report that documents the new estimate will be filed within 45 days of this release under the Company's profile on www.sedar.com and on the Company's website at www.poloresources.com.

The Nimini Licences

The Nimini East and Nimini West licences (together the "Nimini Licences") are underlain by the Nimini Hill Archean greenstone belt, within a sequence of steep to vertically dipping ultramafic and mafic units, with thin intercalations of banded ironstones. In the main zone the mineralisation occurs within three sub-vertical parallel structures within an approximately 40m wide NE-SW trending shear zone recognized over some 800m of strike length. The mineralised structures range from 0.7 to 16 m wide and are most commonly from 1 to 12 m wide. Gold is associated with disseminated and stringer sulphides and minor quartz carbonate veins in silicified amphibolites, quartz veins and Banded Iron Formations ("BIF"). Correlation of the sub-vertical lithologies is facilitated by the thin banded ironstone units that form well defined markers. Mineralisation is sub-parallel to lithologic contacts and consists of predominantly unweathered sulphide material. The deposit is situated on a high ridge about 250 m above mean ground level and its topography reflects the silicified nature of the BIF which is prominent. The lateritic and saprolitic oxidation profile (the weathered zone) varies in depth from less than 10 to 20 m.

Of the global resource in the table above, 490,000 ounces of indicated resource and 183,000 ounces of inferred resource are contained in unweathered zones 1, 2 and 3 of the main zone vein system to a maximum depth of 500 m but mostly to a depth of around 350 m. These primary mineralised zones represent 86 per cent of the current total resource and are the focus of a prefeasibility study for the design and production rate of an underground mine and processing plant, scheduled for completion in the first quarter of 2013. A budget of approximately US\$13 million has been approved to complete the Pre-Feasibility Study and Mining Licence application. A final draft of the Environmental and Social Impact Assessment for Komahun (including the Community Development Action Plan) has been completed and the process for the grant of the Environmental Licence has been initiated.

The results of the recently completed VTEM survey conducted at Nimini have been analysed and interpreted, resulting in nine new high priority targets being identified on the Nimini East and West licences. These targets will be followed up with the objective of defining drill targets by the end of 2012.

To aid in the development of Komahun a number of consultants has been appointed, including:

- Boart Longyear Limited to undertake the in-fill and depth extension drilling (estimated at 20,000 m) at the Nimini project;
- The MSA Group of South Africa to manage Nimini's exploration programmes and also as lead consultant to undertake the Pre-Feasibility Study for completion in Q1, 2013;
- SENET (Pty) Ltd of South Africa to undertake the design of the process plant and tailings management facility for the Pre-Feasibility Study; and
- ALS AMMTECH of Perth, Australia will carry out the metallurgical test work programme and provide the process design data for Senet (Pty) Ltd. Large diameter core samples totalling some 800kg have been shipped from site for this purpose.

At the Matotoka licence, soil sampling, trenching and pitting continue. All results will be combined with those of the VTEM survey interpretation to identify possible targets for drilling later in 2012.

Resource Estimation Database and Data Verification

The database used in the resource estimation contains 239 drill holes, 170 trenches, 2,595 drill hole orientation readings, 13,325 assay intervals, 9,615 lithology descriptions and 6,735 specific gravity measurements. SGS inspected the drill hole database; a total of 555 assays (including all 254 above 5 g/t) was verified against the original laboratory assay certificates. Examination of duplicate assays (943), standards (433) and blanks (605) revealed some variability in the results due to the nugget effect but otherwise the data is considered to be reliable. Assay values were capped at 40 g/t in order to reduce the risk of the high-grade skewness of the grade distribution. Introducing the cap reduced the contained gold by about 5 per cent. Assays were composited to 1.5 m intervals.

Resource Estimation Methodology

Cross sections were constructed from drill holes and trenches at variable intervals from 20 m to 40 m. Mineralised intervals were manually interpreted in each drill hole and trench using a 1 g/t and 2 m along-hole minimum. Mineralisation was intercepted at a maximum depth of 400 m below surface and the model extends to a maximum of 500 m below surface. On most cross sections, however, the model only extends to 300 or 400 m below surface and all structures are open at depth.

The volume for the resource was then modelled on the cross sections. A total of 8 structures were modelled in this way. The sections of each structure were then reconciled in three dimensions to form three dimensional shapes. The grades of blocks in each of the 8 structures were estimated separately, each estimate based only on the composites contained within the interpreted structure. Block dimensions were 1 m by 5 m by 10 m and were aligned with the orientation of the structures. The Inverse Distance Squared method was used for the interpolation of block grades from the neighbourhood of composites. Fixed specific gravities were used depending on the structure and the alteration. Specific gravities used for fresh rock are between 2.8 and 2.9 and between 1.35 and 1.6 for saprolite. The resource contained in unweathered zones 1, 2, and 3 of the main zone vein system totals 3,323,000 tonnes at 4.59 g/t gold representing 490,000 ounces of indicated resource and 1,478,000 tonnes at 3.85 g/t gold representing 183,000 ounces of inferred resource.

Qualified Person:

Yann Camus, Eng., registered engineer in Quebec with SGS Canada, is an independent qualified person under Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. Mr Camus has sufficient experience relevant to the type of deposit under consideration and to the activity which he is undertaking to qualify as a qualified person. Mr Camus consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

For further information, please contact:

Polo Resources Limited Ian Burns, Finance Director	+ 27 82 404 36 37
Investec Neil Elliot, George Price, Chris Sim	+44 (0) 20 7597 5970
Liberum Capital Chris Bowman, Tim Graham	+44 (0) 20 3100 2228
Blythe Weigh Communications Tim Blythe, Susan McKenzie, Robert Kellner	+44 (0) 207 138 3204
Toronto Borden Ladner Gervais LLP Jeffery Barnes, Habeeb Syed	+1 416 367 6459

About the Company

Polo Resources 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 Resources refer to: www.poloresources.com.

CAUTIONARY STATEMENT

The AIM Market of 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 potential values, the future plans and objectives of Polo Resources Limited. There can be no assurance that such statements will prove to be accurate, achievable or recognizable in the near term.

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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 2011 Annual Report for the period ending June 30, 2011, filed on the Company's profile on www.sedar.com.