

TSX: APY

February 4, 2015

Anglo Pacific Group PLC Dividend Policy

Anglo Pacific Group PLC ("Anglo Pacific" or the "Company") (LSE: APF, TSX: APY), the London and Toronto listed royalty company, announces a revised dividend policy following a review by the Board to deliver a progressive policy that creates long-term sustainable value for shareholders.

The proposed acquisition of the Narrabri royalty, a 1% gross revenue royalty interest in the Narrabri coal project operated by Australian Stock Exchange listed Whitehaven Coal Limited, has provided the Board with an opportunity to further review the dividend policy while recognising that the royalty income from Kestrel in the fourth quarter of 2014 was well below the Company's previous expectations due to lower than expected mining in our royalty lands at the Rio Tinto Kestrel mine as previously announced.

The Board's priorities are to deliver a progressive dividend policy at a level which is affordable and appropriate as well as funding the Company's royalty investment opportunities and maintaining a strong balance sheet.

The Board is considering the recommendation of a final dividend for the year ended December 31, 2014 of 4p following the completion of the acquisition of the Narrabri royalty.

In the medium term, the Board is committed to a minimum annual total dividend of 8p subject to, amongst other things, the level of adjusted earnings, proceeds from the disposals of non-core assets and prospective investment opportunities.

In the longer term, and subject to the same factors, the Board intends to adopt a dividend policy paying dividends representing a minimum of 65% of adjusted earnings.

(Adjusted earnings represents the Company' underlying operating performance from core activities. It excludes all valuation movement, non-cash impairment and amortisation charges (which are non-cash IFRS adjustments that arise primarily due to changes in commodity prices), finance costs and any associated deferred tax. It also excludes any profit or loss on non-core asset disposals as these are not expected to be ongoing.)

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Notes to Editors

About Anglo Pacific

Anglo Pacific is a global natural resources royalty company. The Company's strategy is to develop a leading international diversified royalty company with a portfolio centred on base metals and bulk materials, focusing on accelerating income growth through acquiring royalties on projects that are currently cash flow generating or are expected to be within the next 24 months. It is a continuing policy of the Company to pay a substantial portion of these royalties to shareholders as dividends.

Cautionary statement on forward-looking statements and related information

Certain information contained in this announcement, including any information as to future financial or operating performance and other statements that express management's expectation or estimates of future performance, constitute "forward looking statements". The words "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts", or negative versions thereof and other similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Further, forward-looking statements are not guarantees of future performance and involve risks and uncertainties which could cause actual results to differ materially from those anticipated, estimated or intended in the forward-looking statements. The material assumptions and risks relevant to the forward-looking statements in this announcement include, but are not limited to: stability of the global economy; stability of local government and legislative background; continuing of ongoing operations at the properties underlying the Group's portfolio of royalties in a manner consistent with past practice; accuracy of public statements and disclosures (including feasibility studies and estimates of reserve, resource, production, grades, mine life, and cash cost) made by the owners and operators of such underlying properties; accuracy of the information provided to the Group by the owners and operators of such underlying properties; no material adverse change in the price of the commodities produced from the properties underlying the Group's portfolio of royalties and investments; no material adverse change in foreign exchange exposure; no adverse development in respect of any property in which the Group holds a royalty or other interest, including but not limited to unusual or unexpected geological formations and natural disasters; successful completion of new development projects; planned expansions or additional projects being within the timelines anticipated and at anticipated production levels; and maintenance of mining title. If any such risks actually occur, they could materially adversely affect the Group's business, financial condition or results of operations. For additional information with respect to such risks and uncertainties, please refer to the "Principal Risks and Uncertainties" section of our most recent Annual Report and to the "Risk Factors" section of our most recent Annual Information Form available on www.sedar.com and the Group's website www.anglo-pacificgroup.com. Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. The forward-looking statements contained in this announcement are made as of the date of this announcement only and the Group undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

Third party information

As a royalty holder, the Group often has limited, if any, access to non-public scientific and technical information in respect of the properties underlying its portfolio of royalties, or such information is subject to confidentiality provisions. As such, in preparing this announcement, the Group has largely relied upon the public disclosures of the owners and operators of the properties underlying its portfolio of royalties, as available at the date of this announcement.