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News Release

February 6, 2015

Anglo Pacific Group PLC Publication of Prospectus and Circular and Launch of Open Offer

Publication of Prospectus and Circular

Further to the announcement by Anglo Pacific Group PLC ("Anglo Pacific", the "Company") (LSE: APF, TSX: APY) on February 4, 2015 that it had entered into a conditional agreement with a private party to acquire their royalty interest in the Narrabri coal project located in New South Wales, Australia, Anglo Pacific announces that the UK Listing Authority has approved a Class 1 circular in relation to the Acquisition which also comprises a prospectus in relation to the new Anglo Pacific ordinary shares to be issued under the Firm Placing, Placing and Open Offer (the "Prospectus"), dated February 6, 2015.

To view the full document, please paste the following URL into the address bar of your browser:
<http://www.anglopacifictgroup.com/investors.php>

The full Prospectus will also be submitted to the National Storage Mechanism and will be available for inspection at: www.morningstar.co.uk/uk/NSM

Firm Placing, Placing and Open Offer

On February 6, 2015 the Company confirmed the details of a proposed share issue, by way of a Firm Placing and Placing and Open Offer, to raise gross proceeds of £39.5 million (approximately £35.9 million, net of expenses) by the issue of 49,375,000 New Ordinary Shares in aggregate at 80 pence per New

Ordinary Share. Of the 49,375,000 New Ordinary Shares being issued, 26,750,000 of the New Ordinary Shares will be issued through the Firm Placing and 22,625,000 of the New Ordinary Shares will be issued through the Placing and Open Offer. In each case, the New Ordinary Shares have been conditionally placed with institutional and other investors by the Banks subject, in the case of the Conditional Placed Shares, to clawback to satisfy valid application by Qualifying Shareholders under the Open Offer.

Anglo Pacific is now pleased to announce the launch of the Open Offer. The Directors recognise the importance of pre-emption rights to Shareholders and consequently 22,625,000 of the New Ordinary Shares are being offered to existing Qualifying Shareholders by way of an Open Offer. The Open Offer provides an opportunity for Qualifying Shareholders to participate in the fundraising by subscribing for their respective Open Offer Entitlements.

The Company intends to raise £39.5 million (gross) through the Firm Placing, Placing and Open Offer of 49,375,000 New Ordinary Shares at the Offer Price (representing, following the issue of the New Ordinary Shares and the Acquisition Shares, approximately 29.1 per cent of the Enlarged Share Capital). As part of the Firm Placing, Placing and Open Offer, 22,625,000 of the New Ordinary Shares are being allocated to Conditional Placees who have agreed to subscribe for the Conditional Placed Shares pursuant to the Placing. The Conditional Placed Shares are subject to clawback to satisfy valid applications by Qualifying Shareholders under the Open Offer.

Subject to the fulfilment of the conditions set out in the Prospectus, Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares *pro rata* to their existing shareholdings at the Offer Price on the basis of approximately:

0.1944 New Ordinary Shares for every 1 Existing Ordinary Share

held by Qualifying Shareholders and registered in their name at the close of business on the Record Date.

Shareholders holding fewer than 6 Existing Ordinary Shares will have no entitlement to subscribe under the Open Offer.

Fractions of Ordinary Shares will not be allotted and each Qualifying Shareholder's entitlement under the Open Offer will be rounded down to the nearest whole number. Fractional entitlements will be aggregated and will be placed pursuant to the Placing for the benefit of the Company. Accordingly, Qualifying Shareholders with fewer than 6 Existing Ordinary Shares will not have the opportunity to participate in the Open Offer. The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer will not exceed 22,625,000 of the New Ordinary Shares.

Shareholders who have sold or otherwise transferred all of their Existing Ordinary Shares before the entitlement date are not entitled to participate in the Open Offer.

Qualifying Shareholders may apply for any whole number of New Ordinary Shares up to their maximum entitlement which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST. Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their Open Offer Entitlements.

No application in excess of a Qualifying Shareholder's Open Offer Entitlement will be met, and any Qualifying Shareholder so applying will be deemed to have applied for his Open Offer Entitlement only.

Application will be made for the New Ordinary Shares to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities and to be listed on the Toronto Stock Exchange. It is expected that Admission will become effective at 8.00 a.m. on February 27, 2015 on the London Stock Exchange's main market for Listed Securities and at market open on February 27, 2015 on the Toronto Stock Exchange.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that the Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on February 9, 2015. The Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. on February 9, 2015. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

The New Ordinary Shares are not being made available in whole or in part to the public except under the terms of the Open Offer. The Open Offer is not being made to Shareholders in Excluded Territories. Accordingly, Application Forms are not (subject to certain exceptions) being sent to and Open Offer Entitlements are not being credited to Overseas Shareholders.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but will be placed with Conditional Placees pursuant to the Placing Agreement, and the net proceeds will be retained, for the benefit of the Company.

Further information on the Firm Placing and Placing Open Offer and the terms and conditions on which they are made, including the procedure for application and payment, are set out in the Prospectus and, where relevant, in the Application Form. For Qualifying non-CREST Shareholders, completed Application Forms, accompanied by full payment in accordance with the instructions in the Prospectus, should be returned in the reply-paid envelope, or by post or by hand (during normal business hours only) to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on February 25, 2015. For Qualifying CREST Shareholders, the relevant CREST instructions must have settled as explained in the Prospectus by no later than 11.00 a.m. on February 25, 2015.

The Firm Placing and Placing and Open Offer are conditional, *inter alia*, upon:

- (a) the passing of certain shareholder resolutions;
- (b) Admission becoming effective by not later than 8.00 a.m. on March 6, 2015 or such later time and/or date as Macquarie Capital, BMO Capital Markets and the Company may agree; and
- (c) the Placing Agreement becoming unconditional in all respects.

Accordingly, if any such conditions are not satisfied or, if applicable, waived, the Firm Placing and Placing and Open Offer will not proceed, any Open Offer Entitlements admitted to CREST will thereafter be disabled and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

The New Ordinary Shares to be issued pursuant to the Firm Placing and Placing and Open Offer will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

Effect of the Firm Placing and Placing and Open Offer

Upon Admission and following issue of the Acquisition Shares and assuming no further exercise of options under the Share Schemes, the Enlarged Share Capital is expected to be 169,942,034 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 29.1 per cent of the Enlarged Share Capital. New Ordinary Shares issued pursuant to the Firm Placing will represent approximately 15.7 per cent of the Company's Enlarged Share Capital and New Ordinary Shares issued pursuant to the Placing and Open Offer will represent approximately 13.3 per cent of the Enlarged Share Capital.

Following the issue of the New Ordinary Shares to be allotted pursuant to the Firm Placing and Placing and Open Offer and the Acquisition Shares, Qualifying Shareholders who take up their full entitlements under the Open Offer will suffer a dilution of approximately 18.2 per cent to their interests in the Company. Qualifying Shareholders who do not take up any of their entitlements under the Open Offer or are not eligible to participate in the Open Offer will suffer a dilution of approximately 31.5 per cent to their interests in the Company.

General Meeting

A notice convening the General Meeting to be held at 10.30 a.m. on February 26, 2015 at The Royal Institute of Great Britain, 21 Albemarle Street, London, W1S 4BS is being sent to Shareholders where the following Resolutions will be proposed:

Resolution 1

An ordinary resolution to authorise the Directors to allot relevant securities pursuant to the Firm Placing and Placing and Open Offer and the Acquisition.

Resolution 2

An ordinary resolution to approve the Acquisition as a Class 1 transaction (as defined in Chapter 10 of the Listing Rules) and to authorise the Directors to take all necessary steps to give effect to it.

Resolution 3

A special resolution to approve an amendment to the Articles.

Ordinary Resolutions 1 and 2 will require a simple majority of those voting in person or by proxy in favour of the Ordinary Resolutions. Resolution 3 is a special resolution and requires at least 75 per cent. of the votes cast by Shareholders voting in person or by proxy to be in favour in order for it to be passed.

Expected timetable of principal events

Record Date for entitlements under the Open Offer	6.00 p.m. on February 4, 2015
Publication of Prospectus, Application Forms (for Qualifying non-CREST Shareholders only) and Forms of Proxy	February 6, 2015
Ex-entitlement date for the Open Offer	February 9, 2015
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	February 9, 2015
Latest recommended time and date for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on February 19, 2015
Latest recommended time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on February 20, 2015
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims)	3.00 p.m. on February 23, 2015
Latest time and date for receipt of Forms of Proxy or submission of proxy votes electronically	10.30 a.m. on February 24, 2015
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on February 25, 2015
General Meeting	10.30 a.m. on February 26, 2015
Results of the Firm Placing and Placing and Open Offer announced through an RIS	February 26, 2015
Admission and commencement of dealings in the New Ordinary Shares	8.00 a.m. on February 27, 2015
CREST stock accounts expected to be credited for the New Ordinary Shares in uncertificated form	8.00 a.m. on February 27, 2015
Expected date of completion of the Acquisition and issue of the Acquisition Shares	March 5, 2015
Share certificates for New Ordinary Shares expected to be despatched	Within 6 Business Days of Admission

Note

Each of the times and dates in the table above is indicative only and may be subject to change. If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

References to times in this announcement are to London time.

The ISIN code for the New Ordinary Shares and the Acquisition Shares is GB0006449366. The ISIN code for the Open Offer Entitlements is GB00BSPC3T64.

Defined terms in this announcement have the same meaning as set out in the Prospectus.

For further information:

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About the Company

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.

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This Announcement has been issued by and is the sole responsibility of the Company. Save for the responsibilities and liabilities, if any, of any of the Banks under FSMA or the regulatory regime established thereunder, none of the Banks assumes any responsibility whatsoever and the Banks make no representations or warranties, express or implied, in relation to the contents of this Announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by the Company, or on the Company's behalf, or by any of the Banks, or on their behalf, and nothing contained in this Announcement is, or shall be, relied on as a promise or representation in this respect, whether as to the past or the future, in connection with the Company, the Firm Placing, Placing, Open Offer or the Acquisition. The Banks disclaim to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Announcement or any such statement.

BMO, Macquarie Capital and Shard Capital, each of which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting exclusively for the Company and no-one else in connection with the Firm Placing, Placing and Open Offer and they will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or in relation to the contents of this Announcement or any transaction or any other matters referred to herein nor for providing advice in relation to the Firm Placing, Placing and Open Offer.

The distribution of this Announcement and the proposed issue and placing of the New Ordinary Shares pursuant to the Firm Placing, Placing and Open Offer as set out in this Announcement in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Banks that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction. Persons into whose possession this Announcement comes are required by the Company and the Banks to inform themselves about, and to observe, such restrictions.

This Announcement is not being distributed by, nor has it been approved for the purposes of section 21 FSMA by, a person authorised under FSMA. This Announcement is being distributed and communicated to persons in the UK only in circumstances in which section 21(1) of FSMA does not apply.

The New Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the United States. The New Ordinary Shares may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. There will be no public offer of securities in the United States.

This Announcement may not be and must not be acted on or relied on by a Canadian purchaser and this Announcement does not itself constitute an offer to sell any New Ordinary Shares in, or to any person subject to, the laws of Canada. This Announcement is being sent into Canada only for information and does not constitute an offer to sell, or a solicitation of an offer to buy, New Ordinary Shares to or from a person in Canada.

This Announcement contains forward-looking statements. These statements are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward-looking statements. The terms "expect", "should be", "will be" and similar expressions identify forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to: general economic and business conditions; demand for the commodities in which the Company has invested; factors affecting the assets and operations to which the Company's royalty interests relate; competitive factors in the industries in which the Company operates; exchange rate fluctuations; legislative, fiscal and regulatory developments; political risks; terrorism, acts of war and pandemics; changes in law and legal interpretations. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, neither the Company nor the Banks undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to read this Announcement and the Prospectus and the information incorporated by reference therein in their entirety for a further discussion of the factors that could affect the Company's or the Group's future performance and the industries in which they operate. In light of these risks and uncertainties, the events described in the forward-looking statements in this Announcement may not occur. No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

The price of shares and any income expected from them may go down as well as up and an investor may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.