

News Release

July 20, 2016

Anglo Pacific Group PLC Kestrel Royalty Update

Anglo Pacific Group PLC ("Anglo Pacific", the "Company" or the "Group") (LSE: APF, TSX: APY), the London and Toronto listed royalty company, provides the following update in relation to its Kestrel royalty.

The Company has received notification from Rio Tinto of the invoiced payable tonnes for Q2 2016 which, along with the amounts already received in Q1 2016, means that sales from the Group's private royalty lands in H1 2016 will be in the range of 35-40%. This represents a significant increase on the previously guided range of 20-25%. The Group's guidance for 2016 remains unchanged at 60-65%, although the latest information suggests that this could be at the upper end of this range.

The latest information also includes the forecast for Q2 2017 for the first time, which is in line with our expectations. We continue to guide that over 90% of production will be within the Group's private royalty lands by the end of 2017. This, along with both the recent weakening of the pound against the Australian dollar and an increase in the coking coal benchmark contract price so far in 2016, should have a positive impact on the Group's reported royalty income.

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

For further information:

Anglo Pacific Group PLC

Julian Treger - Chief Executive Officer

Kevin Flynn - Chief Financial Officer and Company Secretary

+44 (0) 20 3435 7400

Website:

www.anglopacifigroup.com

BMO Capital Markets Limited

Jeffrey Couch / Neil Haycock / Tom Rider

+44 (0) 20 7664 8020

Macquarie Capital (Europe) Limited

Raj Khatri / Nicholas Harland / Ariel Tepperman

+44 (0) 20 3037 2000

Peel Hunt LLP

Matthew Armitt / Ross Allister

+44 (0) 20 7418 8900

Notes to Editors

About Anglo Pacific

Anglo Pacific Group PLC 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. Furthermore, this announcement contains information and statements that are based on certain estimates and forecasts that have been provided to the Group by Kestrel Coal Pty Ltd ("KCPL"), the accuracy of which KCPL does not warrant and on which readers may not rely. 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.