

News Release

January 9, 2015

Anglo Pacific Group PLC Trading Update

Anglo Pacific Group PLC ("Anglo Pacific" or the "Company") (LSE: APF, TSX: APY), the London and Toronto listed royalty company, issues the following trading update, along with certain unaudited financial information, for the twelve months ending December 31, 2014.

- Anglo Pacific faced challenging commodity market conditions during 2014. However, the number of royalties over mines currently at the production stage increased from three to five and the Company generated cash through disposals of non-core equity investments
- Gross royalty income expected to be in the region of £3.2m to £3.6m for 2014
- Gross proceeds from disposals of non-core equity and debt investments of approximately £8.7m
- Cash and cash equivalents of approximately £8.8m as at December 31, 2014
- Anglo Pacific expects royalty income from Kestrel to increase substantially as mining re-commences within our royalty lands during 2015

Julian Treger, Chief Executive Officer, commented:

"We expect a further ramp up in production levels at Rio Tinto's Kestrel mine during 2015, and expect tonnage mined within our lands to increase substantially in 2015 with these trends continuing into 2016 and 2017.

The challenges facing natural resource companies are increasing the demands for alternative financing as reflected by the increasing number of prospective royalty acquisition opportunities in the Anglo Pacific pipeline."

Producing royalties

Kestrel

Kestrel mined approximately 5% of production within the Company's royalty lands during H2 2014, based on current information from Rio Tinto. This was impacted by the Kestrel mine experiencing lower than expected production levels in 2014 as a result of a slower than expected production ramp-up and a panel change out during Q4 2014 that was not expected in previous guidance for production from the Company's royalty land. We expect to see higher levels of production during 2015 following completion of the panel change out.

Anglo Pacific expects production within the Company's royalty lands from the Rio Tinto Kestrel mine to be in the range of 20% to 25% for H1 2015 and 70% to 75% for H2 2015

based on Rio Tinto guidance. The Company anticipates that this trend of increasing production within its royalty lands is to continue throughout 2016 and 2017.

Financial position

Cash and cash equivalents as at December 31, 2014 was approximately £8.8m, and the Company had undrawn credit facilities of USD15.0m. Non-core mining and exploration interests and receivables as at December 31, 2014 was approximately £10.0m.

Scrip dividend

As previously announced, forms of election from shareholders to receive the scrip dividend alternative for the interim dividend of 4.45p per share for the year ending December 31, 2014 must be returned by 5.00pm on January 14, 2015. The scrip dividend alternative is subject to the condition that if on January 14, 2015 the ordinary share price is equal to or less than 92p, the scrip dividend alternative will automatically be cancelled and a cash dividend paid as if the offer and elections pursuant to it had not been made.

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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. 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.anglopacifictgroup.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.