



Q3 2015 Trading Update Presentation

Anglo Pacific Group PLC

December 2015

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Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “plans”, “believes”, “estimates”, “seeks”, “intends”, “targets”, “projects”, “forecasts”, or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”. Forward-looking statements are based upon certain material factors that were applied in drawing a conclusion or making a forecast or projection, including assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. The material factors and assumptions upon which such forward-looking statements are based include: the general economy is stable; local governments are stable; interest rates are relatively stable; equity and debt markets continue to provide access to capital; the ongoing operations of the properties underlying the Company’s portfolio of royalties by the owners or operators of such properties in a manner consistent with past practice; the accuracy of reserve and resource estimates, grades, mine life and cash cost estimates; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities that underlie the Company’s portfolio of royalties and investment interests; no adverse development in respect of any significant property in which the Company holds a royalty or other interest; the successful completion of new development projects; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; planned expansions or other projects within the timelines anticipated and at anticipated production levels; and title to mineral properties.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions, which could cause actual results to differ materially from those anticipated, estimated or intended in the forward-looking statements.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate; that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of material factors, many of which are beyond the Company’s control, affect the operations, performance and results of the Company, its businesses and investments, and could cause actual results to differ materially from those suggested any forward-looking information. 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, which is also available on our website. If any such risks actually occur, they could materially adversely affect the Company’s business, financial condition or results of operations. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. This presentation also contains forward-looking information contained and derived from publicly available information regarding properties and mining operations owned by third parties. The Company’s management relies upon this forward-looking information in its estimates, projections, plans, and analysis.

Although the forward-looking statements contained in this presentation are based upon what the Company believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. The forward-looking statements made in this presentation relate only to events or information as of the date on which the statements are made and, except as specifically required by law, the Company 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.

This presentation contains reference to past prices of and/or yields on the Company’s shares. Readers are reminded that past performance cannot be relied on as a guide to future performance.

As a royalty holder, the Company 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 presentation, the Company has 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 presentation.

This presentation is for informational purposes only. This presentation is not a prospectus and does not constitute or form part of any offer, invitation or recommendation in respect of securities, or an offer, invitation, recommendation to sell, or a solicitation of any offer to buy, securities.

Q3 2015 Trading Update

- » Q3 2015 royalty related income of £1.9m (Q3 2014: £0.5m)
- » 9-months 2015 royalty related income of £5.7m (9-months 2014: £3.0m; 2014: £3.5m)
- » Continued commodity price headwinds
- » Successful completion of longwall changeouts at both Kestrel and Narrabri in the period, leaving full year production targets unchanged
- » Positive developments at the Group's Narrabri and Salamanca royalties
- » Cash and cash equivalents of £3.6m as at September 30, 2015 (June 30, 2015: £4.0m)
- » Total quoted equity interests valued at £7.4m as at September 30, 2015 (June 30, 2015: £6.5m)
- » Borrowings of £8.6m as at September 30, 2015 (June 30, 2015: £2.6m)
- » Net assets of £161.4m at September 30, 2015 (June 30, 2015: £171.0m)
- » Expected reduction in near term effective tax rate and scope to utilise tax losses

Anglo Pacific Move to a Standard Listing

- » On 16 October, the Company completed its transfer of listing category to a standard listing
- » The transfer was a result of discussions with the UKLA in relation to the Company's appropriate categorisation under the Listing Rules
- » Royalty business model was considered to be incompatible with a premium listing and the board concluded that a standard listing was the most appropriate listing category for the Company
- » The standard listing provides Anglo Pacific with greater flexibility to execute transactions as significant transactions no longer require a shareholder vote with its associated costs and focus of management time
- » The Company intends, on a voluntary basis, to comply with certain premium listing obligations including related party requirements
- » The Company is committed to maintaining its high standards of corporate governance

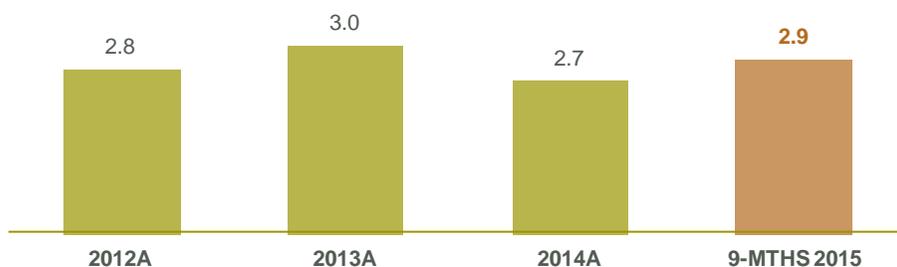
Royalty Portfolio Update

Kestrel: Producing (1)

- » Completion of longwall changeout during Q3 2015, Q4 2015 production expected to be improved towards nameplate capacity
- » Stable APG guidance for production within royalty area:
 - » FY 2015E: 50-55%
 - » H2 2015E: 70-75% (or slightly above)
 - » FY 2016E: 60-65%
- » Expectation that Rio Tinto will mine ~90% of coal within Anglo Pacific's royalty area during 2017
- » Rio Tinto Kestrel expansion #4 to 500 panels largely outside of Anglo Pacific royalty area

Kestrel Production (1) (2)

(million tonnes)

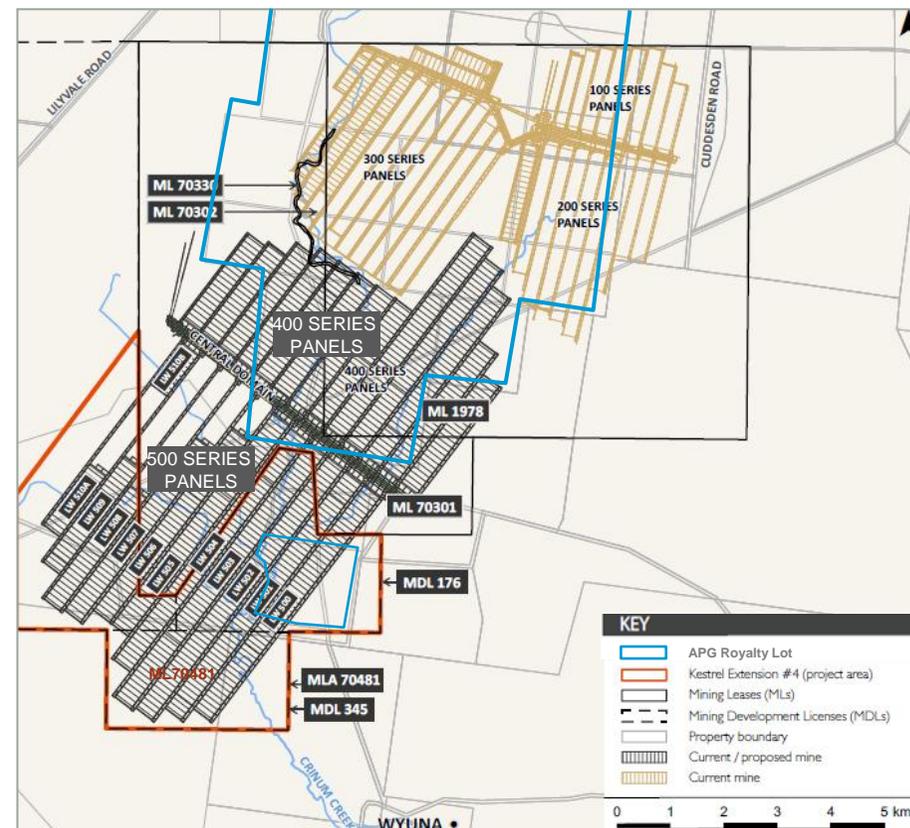


(1) See endnote (i)

(2) Anglo Pacific owns an effective 50% right to a coal royalty on coal produced within Anglo Pacific's royalty area at the Kestrel Mine

(3) Rio Tinto Referral of Proposed Action Kestrel Mine Extension #4 (September 2015). Anglo Pacific royalty area highlighted for illustrative purposes

Illustrative Royalty Area (3)



Royalty Portfolio Update (cont'd)

Narrabri: Producing ⁽¹⁾

- » Record yearly production during FY15
- » FY16 run-of-mine production guidance of 6.6 Mt to 6.8 Mt with FY16 coal sales expected to exceed ROM production
 - » Inventory selldown during Q1 FY16 longwall changeout period
- » Two longwall changeouts during FY16 with first completed on schedule
- » Whitehaven expects to increase longwall panel face width to 400m during H2 FY17
- » Seeking approval to increase annual production limit by 38% to 11 Mt from 8 Mt



Maracás: Producing ⁽²⁾

- » Plant has demonstrated ability to produce at or near its full design capacity
- » Largo Resources focused on stabilising production at higher levels on daily basis
 - » Engineering optimising projects currently underway expected to stabilise production at consistently high production levels
 - » Phase 1 design capacity production expected by the end of 2015



(1) See endnote (iii)

(2) See endnote (iv)

Royalty Portfolio Update (cont'd)

EVBC: Producing ⁽¹⁾

- » FY15 production largely in line with guidance
 - » Au: 53.7 Koz (guidance: 50.5-52.5 Koz)
 - » Cu: 6.1 Mlbs (guidance: 6.5-7.0 Mlbs)
 - » Ag: 166.7 Koz (guidance: 150-180 Koz)
- » Per unit cash operating cost increase primarily due to decline in gold production and decline in by-product prices
- » Potential to identify new resources at EVBC and surrounding areas



Four Mile: Producing ⁽²⁾

- » Total uranium oxide concentrate (“UOC”) production of 2.4 Mlbs since first production in April 2014 to June 30, 2015
 - » All UOC production currently being stockpiled
 - » Uranium oxide sales expected in 2016
- » Estimated cash operating cost of A\$30.27 / lb ⁽³⁾
- » Quasar acquired Alliance Resources Ltd (“Alliance”) stake in the project during September 2015 ⁽⁴⁾



(1) See endnote (v)

(2) See endnote (vi)

(3) Alliance Resources filings. Excluding some shipping costs, marketing costs and royalties as no sales have occurred

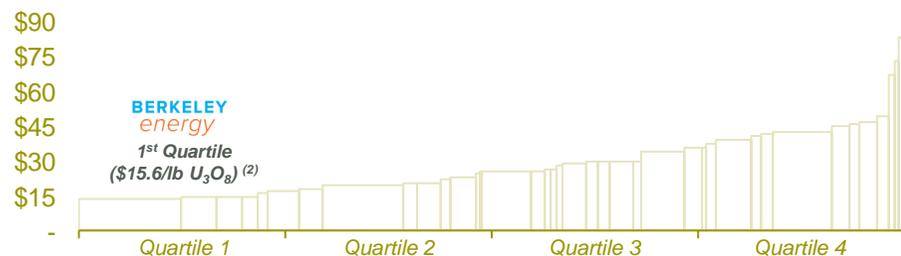
(4) Alliance Resources announced the completion of the sale September 18, 2015

Royalty Portfolio Update (cont'd)

Salamanca: Development ⁽¹⁾

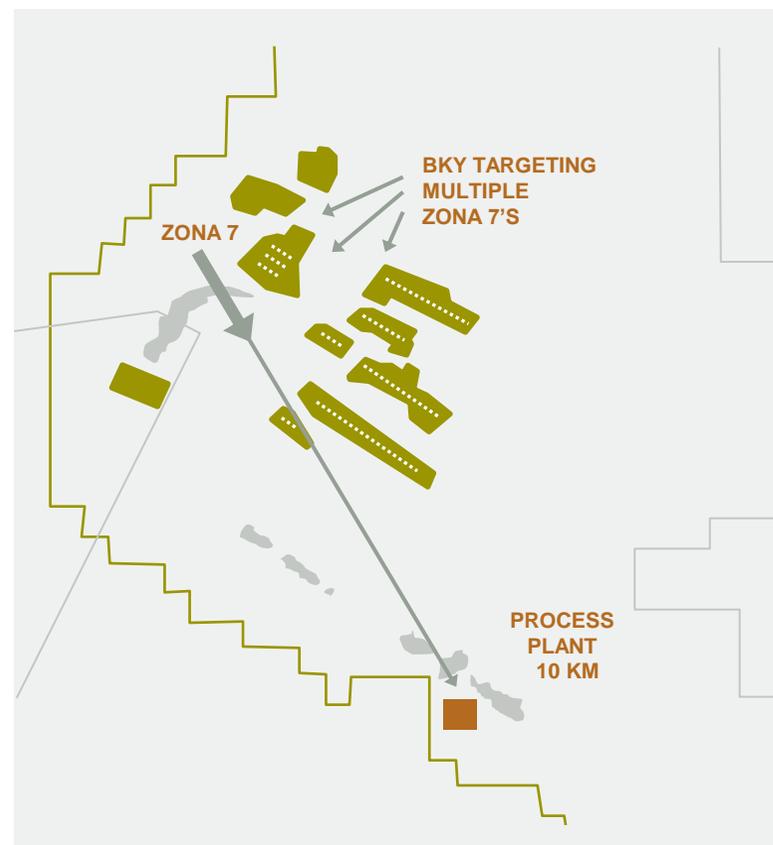
- » Berkeley Energy announced Pre Feasibility Study November 4, 2015:
 - » Stated project NPV of US\$871.3m and IRR of 93.3%
 - » Zona 7 transforms Salamanca project economics
 - » Indicated resource 27.8 Mlbs U₃O₈ at a grade of 735 PPM
 - » Low cost operation (\$15.6/lb U₃O₈) ⁽²⁾ with 18 year mine life
 - » Targeting construction in 2016 and first production in 2017
 - » Exploration in 2016 to test multiple high grade targets located within 10km of processing facility
- » Salamanca royalty carried at acquisition cost of A\$4 million
- » 16.75% disclosed equity interest in Berkeley Energy in addition to 1% NSR royalty on Salamanca

Forecast U₃O₈ Cost Curve 2019E ⁽³⁾ (US\$ / lb U₃O₈)



- (1) See endnote (ii)
- (2) Salamanca operating cost of US\$15.60 during steady state of operations (BKY Pre-Feasibility Study announcement November 4, 2015)
- (3) BMO Capital Markets equity research

Exploration Upside Potential ⁽¹⁾



Upside Potential in the Principal Royalty Portfolio

Asset	Description	Production Upside	Mine Life Upside
Narrabri Royalty <i>(Whitehaven Coal)</i> ⁽¹⁾	<ul style="list-style-type: none"> » Longwall face width expansion » Narrabri South mine life extension potential 	✓	✓
Maracás Royalty <i>(Largo Resources)</i> ⁽²⁾	<ul style="list-style-type: none"> » Potential to develop along the trend of mineralisation » Revenue upside – potential for platinum and palladium by-products 	✓	✓
EVBC Royalty <i>(Orvana Minerals)</i> ⁽³⁾	<ul style="list-style-type: none"> » Resource conversion potential at EVBC » Potential to identify new resources in surrounding areas <ul style="list-style-type: none"> » Diamond drilling program is underway at La Brueva project, located 8km from the Boinás Mine 	✓	✓
Four Mile Royalty <i>(Quasar Resources)</i> ⁽⁴⁾	<ul style="list-style-type: none"> » Resource estimate area is ~1km² within ~7km² of potential mineralisation » Exploration drilling successful in the discovery of new high grade uranium mineralisation ⁽⁵⁾ <ul style="list-style-type: none"> » Presence of a regional scale roll front of high grade uranium mineralisation ⁽⁵⁾ 	✓	✓
Salamanca Royalty <i>(Berkeley Energy)</i> ⁽⁶⁾	<ul style="list-style-type: none"> » Potential to upgrade and increase Salamanca resource base, extending the mine life » Exploration drilling will commence during early 2016 to test a number of drill targets located within ten kilometres of the fully permitted processing facility 	✓	✓

(1) See endnote (iii)

(2) See endnote (iv)

(3) See endnote (v)

(4) See endnote (vi)

(5) The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a mineral resource and it is uncertain if further exploration will result in the estimation of a mineral resource over the whole of the area

(6) See endnote (ii)

Early Stage Royalties

Longer term, Anglo Pacific's exploration royalty portfolio provides upside potential, as well as commodity price upside.

Pilbara – BHP Billiton (1)

- » Tenements include the Railway deposit which lies east of Mining Area C
- » Supported by extensive rail and port infrastructure

Ring of Fire – Noront Resources (2)

- » Ring of Fire acquired from Cliffs in April 2015
 - » Consolidation of the Ring of Fire Camp
 - » Cliffs completed \$150m of exploration and advancement work on the asset

Dugbe 1 – Hummingbird Resources (3)

- » Positive hydro-electric power plant PEA preliminary assessment
 - » Collaboration agreement between Hummingbird, IFC and Aldwych International in place
- » DFS on the Project underway
- » Mineralisation open at depth

(1) Railway iron ore royalty independent valuation (Xstract - June 2011)

(2) Noront Resources announced the acquisition of the Ring of Fire project on March 23, 2015. Cliffs development exploration and advancement spend and Noront's consolidation of the RoF camp as per Noront Q3 2015 Investor presentation

(3) Hydro-electric PEA results as per September 16, 2015 press release. DFS status as per company website. Mineralisation open at depth as per company Q3 2015 investor presentation

Appendix

Introduction to Anglo Pacific

Description

- » Anglo Pacific is the only natural resources royalty company listed on the London Stock Exchange and is also listed on the Toronto Stock Exchange
- » Strong position from which to expand asset base
 - » Royalties on six producing operations
 - » Diversified commodity exposure across coking coal, thermal coal, iron ore, gold, vanadium and uranium
- » Key royalty asset in Kestrel, a low cost predominantly coking coal mine in Australia operated and majority-owned by Rio Tinto
 - » Historical Kestrel royalty revenue totals A\$252 million (2000-13)
- » Near-term royalty income expected to be driven by Kestrel and new royalties

Corporate Information

Ticker	APF (LSE), APY (TSX)
Current share price ⁽¹⁾	61.00p
Market capitalisation ⁽²⁾	£104 (~\$155m)
Cash ⁽³⁾	£3.6m
Net assets ⁽³⁾	£161m
Undrawn revolving credit facility ⁽⁴⁾	£11m
Quoted equity interests ⁽⁵⁾	£7.4m

(1) Bloomberg (as at December 4, 2015)

(2) Based on ~169.9m ordinary shares outstanding (as at December 4, 2015)

(3) As at September 30, 2015

(4) US\$30 million revolving secured credit facility with US\$13.3 million drawn as at September 30, 2015

(5) Total quoted equity interests valued as at September 30, 2015

Geographic and Commodity Exposure Across Principal Royalty Portfolio

Existing Royalty Portfolio



Royalty Description

	Royalty	Commodity	Operator	Location	Royalty type and rate ^(1,2)
Producing	1 Kestrel ⁽³⁾	Coking & thermal coal	Rio Tinto	Australia	7 – 15% GRR
	2 Narrabri	Thermal & PCI coal	Whitehaven Coal	Australia	1% GRR
	3 Maracás Menchen	Vanadium	Largo Resources	Brazil	2% NSR
	4 Four Mile	Uranium	Quasar Resources	Australia	1% NSR
	5 EVBC ⁽⁴⁾	Gold, copper and silver	Orvana Minerals	Spain	2.5 – 3% NSR
	6 Amapá & Tucano ⁽⁵⁾	Iron ore	Zamin Ferrous / Beadell Resources	Brazil	1% GRR
Development	7 Salamanca	Uranium	Berkeley Energy	Spain	1% NSR
Early-stage	8 Pilbara	Iron ore	BHP Billiton	Australia	1.5% GRR
	9 Ring of Fire	Chromite	Noront Resources	Canada	1% NSR
	10 Dugbe 1 ⁽⁶⁾	Gold	Hummingbird Resources	Liberia	2 – 2.5% NSR

(1) Please refer to 2015 Annual Report for further detail on the royalty type and rate for Tucano, EVBC
 (2) GRR – Gross Revenue Royalty. NSR – Net Smelter Return
 (3) Kestrel royalty terms (Anglo Pacific): 3.5% of value up to A\$100/tonne, 6.25% of the value over A\$100/tonne and up to A\$150/tonne, 7.5% thereafter
 (4) EVBC: El Valle-Boinás Carlés
 (5) In the second half of 2014, Zamin suspended production at the mine whilst the Santana port is rebuilt
 (6) Dugbe 1 to become a royalty upon the receipt of a mineral development agreement signed by the Government of Liberia

Endnotes

Third party information

As a royalty holder, Anglo Pacific Group PLC ("the Company") 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 presentation, the Company has 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 presentation.

- i. This presentation contains information and statements relating to the Kestrel mine 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. Increased production rates at Kestrel, and longwall changeout as per Rio Tinto Third Quarter 2015 Operations Review (p.5). Kestrel production figures as per Third Quarter 2015 Operations Review (p.19) , Fourth Quarter 2014 Operations Review (p.20), and Fourth Quarter 2013 Operations Review (p.19).
- ii. Berkeley Energy Limited, the owner of the Salamanca Project, is listed on the Australian Securities Exchange and reports in accordance with the JORC code. This presentation contains certain information relating to the Salamanca royalty which is derived from the November 4, 2015 Pre Feasibility Study which is based on information compiled by Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Information related to the Salamanca Project exploration targets and cost benchmarking is drawn from the [November 2015] Berkeley Energy corporate presentation. Zona 7 indicated contained resources, inferred contained resources, and grades as per October 7, 2015 press release "Increase in Zona 7 grade Expected to boost Salamanca Project economics".
- iii. Whitehaven Coal Limited, the majority owner of the Narrabri mine, is listed on the Australian Securities Exchange and reports in accordance with the JORC Code. Fiscal year 2015 production, fiscal year 2016 production guidance, longwall changeouts during fiscal year 2016, and longwall panel face width expansion as per Whitehaven fiscal year 2015 Results Presentation dated August 13, 2015, Whitehaven fiscal year 2015 Results Announcement, and Whitehaven first quarter of fiscal year 2016 September Quarterly Report. Approval being sought for 11 Mtpa production limit from 8 Mtpa as per 2015 Whitehaven Coal AGM presentation. This presentation contains certain information relating to the Narrabri South Expansion potential which is principally derived from the National Instrument 43-101 Technical Report on Narrabri North Mine and Narrabri South, Gunnedah Basin, New South Wales dated January 30, 2015 prepared by Palaris Australia Pty Ltd and jointly compiled by Dr John Bamberly and Mr Gregor Carr. Dr Bamberly is a principal geologist of Palaris Australia Pty Ltd ("Palaris") and Mr Carr is a mining engineer of Palaris. Dr Bamberly is a Member of the Australian Institute of Geoscientists and Mr Carr is a Member of the Australasian Institute of Mining and Metallurgy, and each of Dr Bamberly and Mr Carr is a "qualified person" under NI 43-101. Except in connection with their engagement to prepare a Technical Report on Narrabri, neither Dr Bamberly nor Mr Carr has had a relationship with the Company.
- iv. Largo Resources Limited, the owner of the Maracás project, is listed on the Toronto Stock Exchange and reports in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and the NI 43-101 standards. Plant demonstrating ability to produce at or near full production capacity, engineering optimising projects, and expected full production date as per August 4, 2015 press release "Largo produces over 600 tonnes of vanadium in July". Maracás concession strike length as per Largo Resources June 2015 investor presentation. Platinum and palladium by-products pre-feasibility study as per December 9, 2014 Largo Resources press release "Largo commences pre-feasibility study of PGM by-products at its Maracas Menchen Mine".
- v. Orvana Minerals Corp, the owner of the El Valle-Boinás / Carlés project (EVBC), is listed on the Toronto Stock Exchange and reports in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and the NI 43-101 standards. Fiscal year 2015 production data, and information related to per unit cash operating costs as per November 13, 2015 press release "Orvana Meets Fiscal 2015 Production, Costs And Capex Guidance". Potential to identify new resources at EVBC and surrounding areas as per Orvana Minerals' Management's Discussion and Analysis for the third quarter of fiscal year 2015 ended June 30, 2015.
- vi. Alliance Resources Limited is listed on the Australian Securities Exchange and reports in accordance with the JORC code. Total production as of June 30, 2015, Alliance's acceptance of Quasar's offer for its stake in the Four Mile project, and estimated cash cost as per Alliance Quarterly Report for the period ended June 30, 2015. Expected date of first sales as per Alliance August 8, 2014 press release "Four Mile Production Status". This presentation contains certain information relating to the Four Mile royalty which is derived from the Alliance Resources website, a link to which is: <http://www.allianceresources.com.au/irm/content/four-mile-uranium-project-sa.aspx?RID=32> and the Alliance Resource February 25, 2015 press release "Exploration target update: Four Mile Northeast Uranium prospect", with the information based on information compiled by Mr Andrew Bowden who is a Chartered Geologist and Fellow of the Geological Society of London, a Recognised Overseas Professional Organisation included in a list promulgated by the ASX from time to time and Mr Stephen Johnston who is a Member of The Australasian Institute of Mining and Metallurgy.

Standards of disclosure for mineral projects

National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") contains certain requirements relating to the use of mineral resource and mineral reserve categories of an "acceptable foreign code" (as defined in NI 43-101) in "disclosure" (as defined in NI 43-101) made by Anglo Pacific Group plc with respect to a "mineral project" (as defined in NI 43-101), including the requirement to include a reconciliation of any material differences between the mineral resource and mineral reserve categories used under an acceptable foreign code and the standards developed by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended (the "CIM Standards") in respect of a mineral project. Pursuant to an exemption order granted to Anglo Pacific Group plc by the Ontario Securities Commission (the "Exemption Order"), the information contained herein with respect to the Kestrel mine, the Maracás project and the Narrabri mine has been extracted from information publicly disclosed, disseminated, filed, furnished or similarly communicated to the public by an issuer whose securities trade on a "specified exchange" (as defined under NI 43-101) that discloses mineral reserves and mineral resources under one of the JORC Code, the PERC Code, the SAMREC Code, SEC Industry Guide 7 or the Certification Code (each as defined in NI 43-101). As the definitions and standards of the JORC Code, the PERC Code, the SAMREC Code, SEC Industry Guide 7 and the Certification Code are substantially similar to the CIM Standards, a reconciliation of any material differences between the mineral resource and mineral reserve categories reported under the JORC Code, the PERC Code, the SAMREC Code, SEC Industry Guide 7 and the Certification Code, as applicable, to categories under the CIM Standards is not included and no Form 43-101F1 technical report will be filed to support the disclosure based upon such exemption.