



Anglo Pacific Group PLC

June 2014

Maracás Royalty Acquisition

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Certain statements in this presentation, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Company's expectations and views of future events. Forward-looking statements (which include the phrase 'forward-looking information' within the meaning of Canadian securities legislation) are provided for the purposes of assisting the reader in understanding the Company's financial position and results of operations as at and for the periods ended on certain dates, and to present information about management's current expectations and plans relating to the future. Readers are cautioned that such forward-looking statements may not be appropriate for other purposes than outlined in this presentation. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, cash flow, requirement for and terms of additional financing, performance, prospects, opportunities, priorities, targets, goals, objectives, strategies, growth and outlook of the Company including the outlook for the markets and economies in which the Company operates, costs and timing of acquiring new royalties, mineral reserve and resources estimates, estimates of future production, production costs and revenue, future demand for and prices of precious and base metals and other commodities, for the current fiscal year and subsequent periods. In addition, statements relating to 'reserves' or 'resources' are forward looking statements, as they involve implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future.

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.

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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.

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Transaction Overview

- » Anglo Pacific Group PLC has entered into a definitive agreement to acquire a secondary, privately held, 2% NSR ⁽¹⁾ royalty on all mineral products sold from the area of the Maracás Vanadium Mine to which the royalty relates (the “Maracás Royalty”)
 - » The Maracás Mine is owned and operated by Largo Resources Limited (“Largo Resources”), a company publicly listed on the TSX Venture Exchange with a market capitalisation of C\$280 million ⁽²⁾
 - » The Maracás Royalty was previously held by Cancap Investments Limited

- » Consideration:
 - » US\$22 million payable in cash on completion of the sale plus up to a further US\$3 million milestone payments ⁽³⁾
 - » 500,000 warrants at a £2.50 strike price will be issued to the royalty seller, Cancap Investments Limited, on transaction completion ⁽⁴⁾

- » Largo Resources has entered into an off-take agreement with Glencore International AG for all vanadium products produced at the Maracás mine for the first 6 years of production ⁽⁵⁾
 - » This is on a take-or-pay basis

(1) Note: A Net Smelter Return royalty (or “NSR”) typically entitles the royalty holder to a fixed portion of the net revenues received from a smelter or refinery from the sales of mineral production, after the deduction of certain offsite realisation costs. Typical realisation costs include those related to transportation, insurance, smelting and refining.

(2) Source: As of 26 May 2014, Bloomberg

(3) Note: US\$1.5 million payable in cash when the Maracás Project reaches, over a calendar quarter, sales of an annualised production rate of 20.9 Mlbs (9,500t) V₂O₅ equivalent and a further US\$1.5 million payable in cash when the Maracás Project reaches, over a calendar quarter, sales of an annualised production rate of 26.5 Mlbs (12,000t) V₂O₅ equivalent

(4) Note: Each warrant will entitle the holder to acquire one Anglo Pacific ordinary share at a strike price of £2.50 and will be exercisable for 5 years. The warrants will not be admitted to trading on any exchange

(5) Note: All information relating to Largo Resources based on public disclosure. For more information please see the endnotes.

Royalty Overview

The Maracás Royalty

- » The mine is located in an established mining jurisdiction in Brazil and connected to existing power, water and road infrastructure
- » Owned and operated by Largo Resources
- » A high grade vanadium deposit:
 - » Reserve: 13.1 Mt at 1.34% V₂O₅ (NI 43-101) ⁽¹⁾
 - » Resource: Measured & Indicated of 24.6 Mt at 1.11% V₂O₅ and Inferred of 30.4 Mt at 0.83% (NI 43-101) ⁽¹⁾
- » Commissioning process now complete: first production expected by the end of June 2014
- » Forecast average annual production of ≈ 25.1 Mlbs (11,400t) of V₂O₅ equivalent with an estimated 29 year mine life (in respect of the area to which the royalty relates) ⁽¹⁾

(1) Note: All information relating to Largo Resources based on public disclosure. For more information, please see the endnotes.

(2) Source: V₂O₅ ore Europe min 98% US\$/lb, Metal Bulletin

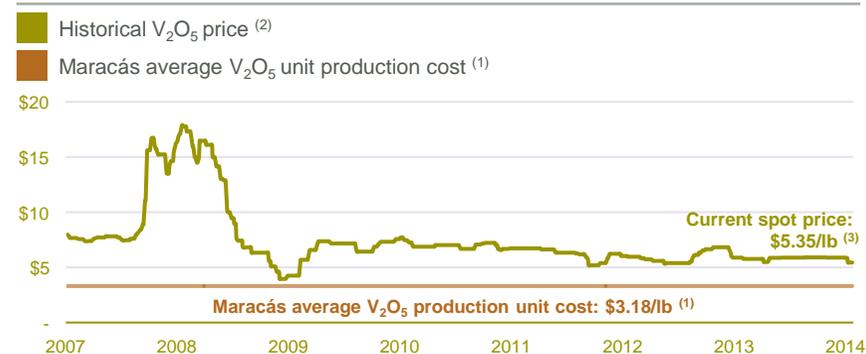
(3) Source: As of 16 May 2014, Bloomberg

The Maracás Vanadium Mine

(Bahia Province, Brazil)



Maracás C1 Cash Cost Below Historical V₂O₅ Price (\$/lb)



The Maracás Mine

Maracás mine construction and commissioning complete



Connection to the National Grid



First ore being trucked to the stockpile



Primary crusher and conveyor leading to ROM stockpile



Kiln warm-up in progress



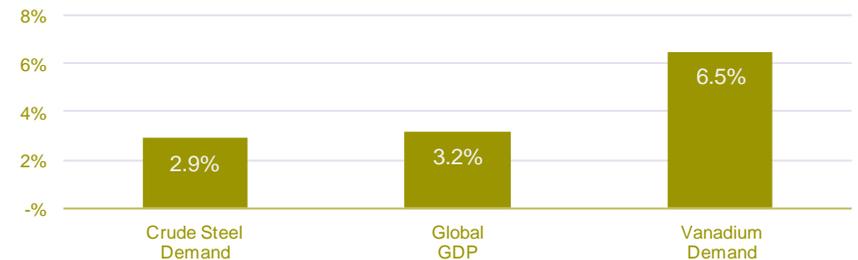
Source: Anglo Pacific Group site visit, February 2014

Vanadium Demand Outlook ⁽¹⁾

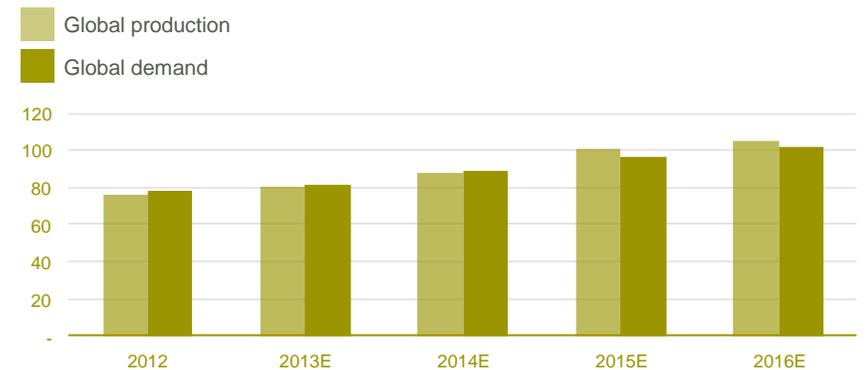
Demand Expected to Outpace Steel

- » Vanadium is used to produce high strength steel
- » Over 90% of vanadium is used in steel production, although the vanadium grade within alloyed steel is also a key demand driver
- » In 2010, China implemented policy to improve building standards following fatalities in the 2008 Sichuan earthquake
 - » This policy directly promotes increased vanadium consumption as higher quality steel is used in construction
- » Disposable income growth in industrialising economies is also expected to drive demand for vanadium alloyed steel for use in white goods and motor vehicles

Forecast Global Growth Rates (CAGR 2012-17E)



Forecast Vanadium Supply / Demand is Balanced (Thousands of tonnes)



(1) Source: Vanadium: Global Industry Markets and Outlook, Roskill (2013)

Acquisition Consistent with Anglo Pacific's Stated Growth Strategy

- ✓ **Near-term cash flow generation**
 - » Largo has announced that commissioning of the Maracás Mine is complete, and the final kiln warm-up has begun ⁽¹⁾
 - » V₂O₅ production is expected in the near term ⁽¹⁾
- ✓ **Established mining jurisdiction**
 - » Maracás is located in Brazil's Bahia State, which has existing infrastructure in place ⁽¹⁾
- ✓ **Low cost operation**
 - » Maracás is expected to operate at bottom-quartile cash costs, due to the project's high-grade resource ⁽¹⁾
- ✓ **Long mine life**
 - » Maracás mine area to which the royalty relates is expected to have a life of mine of 29 years ⁽¹⁾
- ✓ **Upside potential**
 - » Potential by-products including iron ore, ilmenite and PGM recovery incremental to the investment's calculated IRR hurdle rate ⁽¹⁾
- ✓ **Further diversifies royalty portfolio**
 - » Royalty provides exposure to a new commodity which has attractive fundamentals ⁽²⁾

(1) Note: All information relating to Largo Resources based on public disclosure. For more information please see the endnotes.

(2) Source: Vanadium: Global Industry Markets and Outlook, Roskill (2013)

Endnotes

Third party information

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 preliminary announcement, the Company has relied upon the public disclosures of Largo Resources Limited (“Largo”), as available at the date of this presentation.

Largo is listed on the TSX Venture Exchange and reports in accordance with the NI 43-101 standards. Glencore off-take agreement as disclosed in Largo 14 May 2008 press release. Maracás Mine Reserve (p. 19-60) and mine site infrastructure description (p. 7-3) extracted from NI 43-101 Technical Report dated May 2009 (effective as of May 2009). Maracás Mine Resource (p. 25-1), production estimates (p. 17-8), estimated mine life (p. 2-1), estimated unit cost (p. 1-24), and potential by-products production (p. 1-24, p. 13-17) extracted from NI 43-101 Technical Report dated 4 March 2013 (effective date 4 March 2013). Average unit production cost includes mining, plant, G&A, insurance, and royalty costs per lb of V₂O₅ produced. Maracás Mine commissioning, kiln warm-up, and first production estimates as disclosed in Largo’s press release on 20 May 2014.

Cautionary note to U.S. investors concerning estimates of measured, indicated and inferred resources

Certain technical disclosure in this presentation has been prepared in accordance with the requirements of Canadian securities laws, including NI 43-101, in certain cases as modified by the Exemption Order referred to above, which differ from the requirements of U.S. securities laws. This press release uses the terms “measured resources”, “indicated resources” and “inferred resources”. U.S. investors are advised that while such terms are recognised and required by Canadian Securities laws, the Securities and Exchange Commission does not recognise them. “Inferred resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred resource will be upgraded to a higher category. Under Canadian Securities laws, estimates of inferred resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of measured resources or indicated resources will ever be converted into reserves. U.S. investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.