



# Anglo Pacific Group PLC

17 Hill Street, Mayfair  
London W1J 5NZ  
Tel: 44 (0)20 7318 6360  
Fax: 44 (0)20 7629 0370  
[www.anglopacifigroup.com](http://www.anglopacifigroup.com)

## News Release

28<sup>th</sup> October 2010

### **Anglo Pacific Group PLC** **Interim Management Statement**

Anglo Pacific Group PLC (“Anglo Pacific Group”, “the Group”) (LSE: APF) (TSX: APY), the natural resources royalty company, today releases its interim management statement for the period from 1<sup>st</sup> July 2010 to 27<sup>th</sup> October 2010.

#### **Material Events and Transactions**

##### Acquisitions / Disposals

On 27<sup>th</sup> July 2010 the Group signed a Memorandum of Understanding with Horizonte Minerals PLC for the Group to acquire for US\$500,000 an option to purchase a 1.5% Net Smelter Royalty on all revenues from the advanced exploration stage Araguaia and Lontra Nickel Projects in Brazil. The exercise price is US\$12.5 million and the option period six years. The Memorandum of Understanding is subject to contract and due diligence. Horizonte Minerals PLC recently acquired the Araguaia Nickel Project from Teck Resources Limited who following the transaction now control 50% of Horizonte.

On 23<sup>rd</sup> September 2010 the Group agreed to purchase from Beadell Resources Limited the 1.0% gross iron ore revenue royalty rights covering the Anglo American PLC operated Amapá iron ore mine as well as Beadell Resources Limited’s mining concessions and exploration tenements in the Amapá region of northern Brazil for a sum of A\$31.25million in cash.

Further details of these acquisitions can be found on the Group’s website at [www.anglopacifigroup.com](http://www.anglopacifigroup.com).

During the period the Group made further disposals of mining investments where royalties are not currently being considered, resulting in realised gains of circa £4 million.

## Listings

On 9<sup>th</sup> July 2010 the Group's shares were listed and posted for trading on the Toronto Stock Exchange under the symbol APY. The Group was removed from the official list of the Australian Stock Exchange on 18<sup>th</sup> June 2010.

## Board Appointments

On 6<sup>th</sup> October 2010 Mr John Theobald was appointed Chief Executive Officer of the Group replacing Mr Brian Wides who has become Director of International Business Development.

## Financial Performance

During the third quarter of 2010 coal royalty receipts increased compared to the same period last year due to higher contracted coking coal prices. These were partially offset by lower volumes caused by a longwall relocation and adverse weather in Queensland, Australia.

Conditions in the equity markets for mining development companies improved during the period resulting in a substantial increase in the value of the Group's strategic interests.

## Financial Position

The Group's financial position remains strong with no significant changes to the Group's equity structure since the publication of the 2010 Interim Results.

The market value of the Group's strategic quoted and unquoted investments increased from £88 million at 30<sup>th</sup> June 2010 to £114 million at 30<sup>th</sup> September 2010.

Following the addition of the Amapá royalty, the value of the Group's royalty interests at cost or valuation on 30<sup>th</sup> September 2010 increased to £232 million.

Cash and receivables at 30<sup>th</sup> September 2010 were £15 million net of the Amapá acquisition.

## Dividends

A final dividend for the year ended 31<sup>st</sup> December 2009 of 4.65p per share (2008: 4.35p) was paid on 7<sup>th</sup> July 2010. Shareholders representing 24.1% of the issued share capital elected to take scrip instead of cash.

An interim dividend for the year ending 31<sup>st</sup> December 2010 of 3.95p per share (2009: 3.70p), representing an increase of 6.8%, will be paid to shareholders on the register at the close of business on 12<sup>th</sup> November 2010. The shares will be quoted ex dividend in Canada on 9<sup>th</sup> November 2010 and in London on 10<sup>th</sup> November 2010 and the dividend will be paid on 12<sup>th</sup> January 2011. Shareholders will again be given the opportunity to elect to receive a scrip dividend instead of cash.

## Outlook

Anglo Pacific Group, with its strong balance sheet, no debt and strong royalty revenues, remains well positioned to continue to build its royalty portfolio. The Group is evaluating several new royalty opportunities whose acquisition remains the Group's overriding strategic focus.

For further information:

**Anglo Pacific Group plc**

**+44 (0) 20 7318 6360**

Peter Boycott, Chairman

Matthew Tack, Finance Director

**Liberum Capital**

**+44 (0) 20 3100 2000**

Chris Bowman

Ellen Francis

**Scott Harris**

**+44 (0) 20 7653 0030**

Stephen Scott

James O'Shaughnessy

**Website:**

[www.anglopacifigroup.com](http://www.anglopacifigroup.com)

### Important notice

This news release contains forward-looking statements based on assumptions and reflects Anglo Pacific's expectations, estimates and projections of future events as of the date of this release. Forward-looking statements include, without limitation, statements regarding the performance, prospects, opportunities, priorities, targets, goals, objectives, strategies, growth and outlook of Anglo Pacific. Often, but not always, forward-looking statements can be identified by the use of words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based upon certain material factors and assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions and analyses made by Anglo Pacific 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. Also, forward-looking statements involve known and unknown risks, uncertainties and other factors that are beyond the Company's control and which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such material factors and assumptions and risks and uncertainties include, among others, those described in the Company's annual information form dated as at June 29, 2010 (available on Anglo Pacific's website and at [www.sedar.com](http://www.sedar.com)), which are incorporated by reference into this release and qualify any and all forward-looking statements made in this release.

Although Anglo Pacific has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that actual results will be consistent with these forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements herein relate only to events or information as of the date on which the statements are made and, except as specifically required by law, Anglo Pacific undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise.