

Anglo Pacific Group PLC

**GROWING A GLOBAL NATURAL
RESOURCES COMPANY**

Results for the year ended 31 December 2018

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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 stability of the global economy; stability of local governments and legislative background; the relative stability of interest rates, the equity and debt markets continuing to provide access to capital; the continuing of ongoing operations of the properties underlying the Company’s portfolio of royalties and investments in a manner consistent with past practice; the accuracy of public statements and disclosures (including feasibility studies, 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 Company 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 Company’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 Company 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.

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. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. No statement in this communication is intended to be, nor should it be construed as, a profit forecast or a profit estimate. 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, royalties and investments, and could cause actual results to differ materially from those suggested any forward-looking information. Such risks and uncertainties include, but are not limited to current global financial conditions, royalties and investment portfolio and associated risk, adverse development risk, financial viability and operational effectiveness of owners and operators of the relevant properties underlying the Company’s portfolio of royalties and investments, royalties and investments subject to other rights, and contractual terms not being honoured, together with those risks identified in the ‘Principal Risks and Uncertainties’ section of our most recent Annual Report, which is 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. Readers are cautioned that the list of factors noticed in the ‘Principal Risks and Uncertainties’ section of our most recent Annual Report is not exhaustive of the factors that may affect the Company’s forward-looking statements. Readers are also 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 applicable laws, listing rules and other regulations, 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.

As a royalty and streaming company, 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 and investments, or such information is subject to confidentiality provisions. As such, in preparing this presentation, the Company has largely relied upon the public disclosures of the owners and operators of the properties underlying its portfolio of royalties and investments, as available at the date of this presentation.

OVERVIEW

Our aim is to be the leading international royalty and streaming company, with a diversified portfolio focused on bulk commodities, energy storage related minerals and base metals

2018 FULL YEAR HIGHLIGHTS

FINANCIAL HIGHLIGHTS

- Record £46.1m in royalty related revenue, an increase of 16% on the previous record of £39.6m earned in 2017
- Overheads (excluding share-based payments) in line with 2017
- 21% increase in operating profit to £37.1m (2017: £30.6m)
- Tax losses utilised in full during H1 2018 resulting in an effective tax rate for the year of 25% (2017: 9%) based on adjusted earnings
- 7% increase in adjusted earnings¹ per share to 18.02p (2017: 16.82p)
- 14% increase in proposed total dividend for the year to 8p per share (2017: 7p)
- Dividend cover of 2.25x (2017: 2.4x) – reflecting the higher dividend for 2018
- Free cash flow² per share of 22.28p, largely in line with the 23.62p generated in 2017
- Net assets largely unchanged at £218m (2017: £219m)
- Net debt at the year-end of £3.1m (2017: net cash £8.1m) reflecting the £38.4m LIORC acquisition completed in H2 2018 and £12.9m dividends paid
- Returned to a net cash position at the end of January 2019

OPERATIONAL HIGHLIGHTS

- 13% increase in royalty income from Kestrel reflected strength of coal prices as volumes attributable to our private royalty land were stable at 4.8Mt
- Maracás Menchen became the Group's second largest source of revenue in 2018, following a significant increase in the vanadium price during H2 2018
- Maiden contribution of £1.9m from Labrador Iron Ore Royalty Corp ("LIORC") which was acquired in H2 2018, implies a yield of ~10%
- £38.4m LIORC acquisition undertaken in H2 2018, financed through available bank facilities
- Refinanced and upsized the previous US\$30m borrowing facility with a new US\$60m facility which includes a further US\$30m accordion feature providing the Group with bank facilities of up to US\$90m for acquisitions

1. Adjusted earnings/(loss) represents the Group's underlying operating performance from core activities. Adjusted earnings/(loss) is the profit/(loss) attributable to equity holders less all valuation movements, non-cash impairments and amortisation charges (which are non-cash IFRS adjustments that arise primarily due to changes in commodity prices), finance costs, any associated deferred tax and any profit or loss on non-core asset disposals as these are not expected to be ongoing.

2. Free cash flow is the net increase/(decrease) in cash and cash equivalents prior to core acquisitions, equity raising and changes in the level of borrowings.

TRACK RECORD

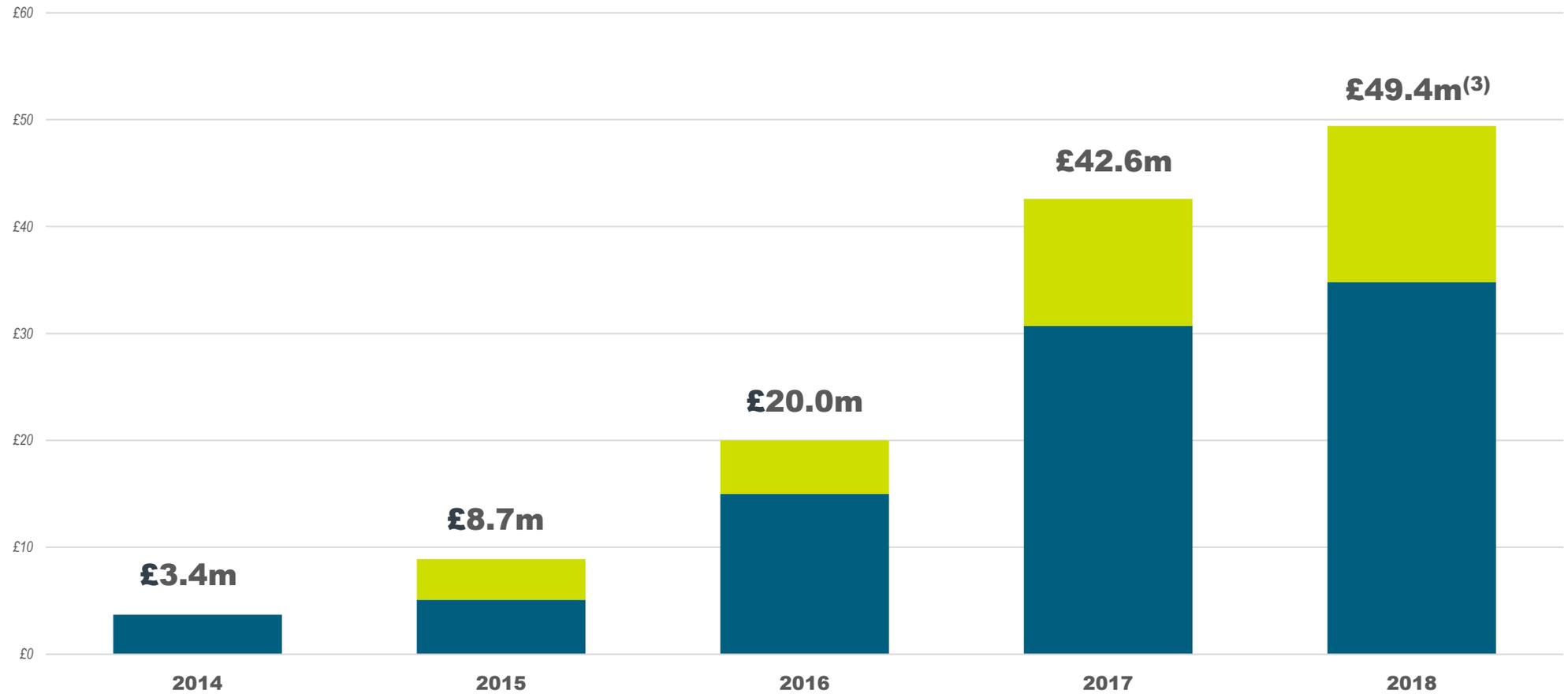
We have demonstrated our ability to successfully identify and acquire accretive royalty related assets over the past five years, increasing the size and diversification of our portfolio, deploying ~£130 million into acquisitions and returning ~£56 million to shareholders as dividends over the last five years.

ACQUISITIONS HAVE INCREASED PORTFOLIO INCOME

PORTFOLIO CONTRIBUTION 2014-2018⁽¹⁾

GBP millions

■ Anglo Pacific portfolio pre 2014⁽¹⁾ ■ Acquisitions 2014 to present⁽²⁾



1. Includes Kestrel, EVBC, and Four Mile royalties

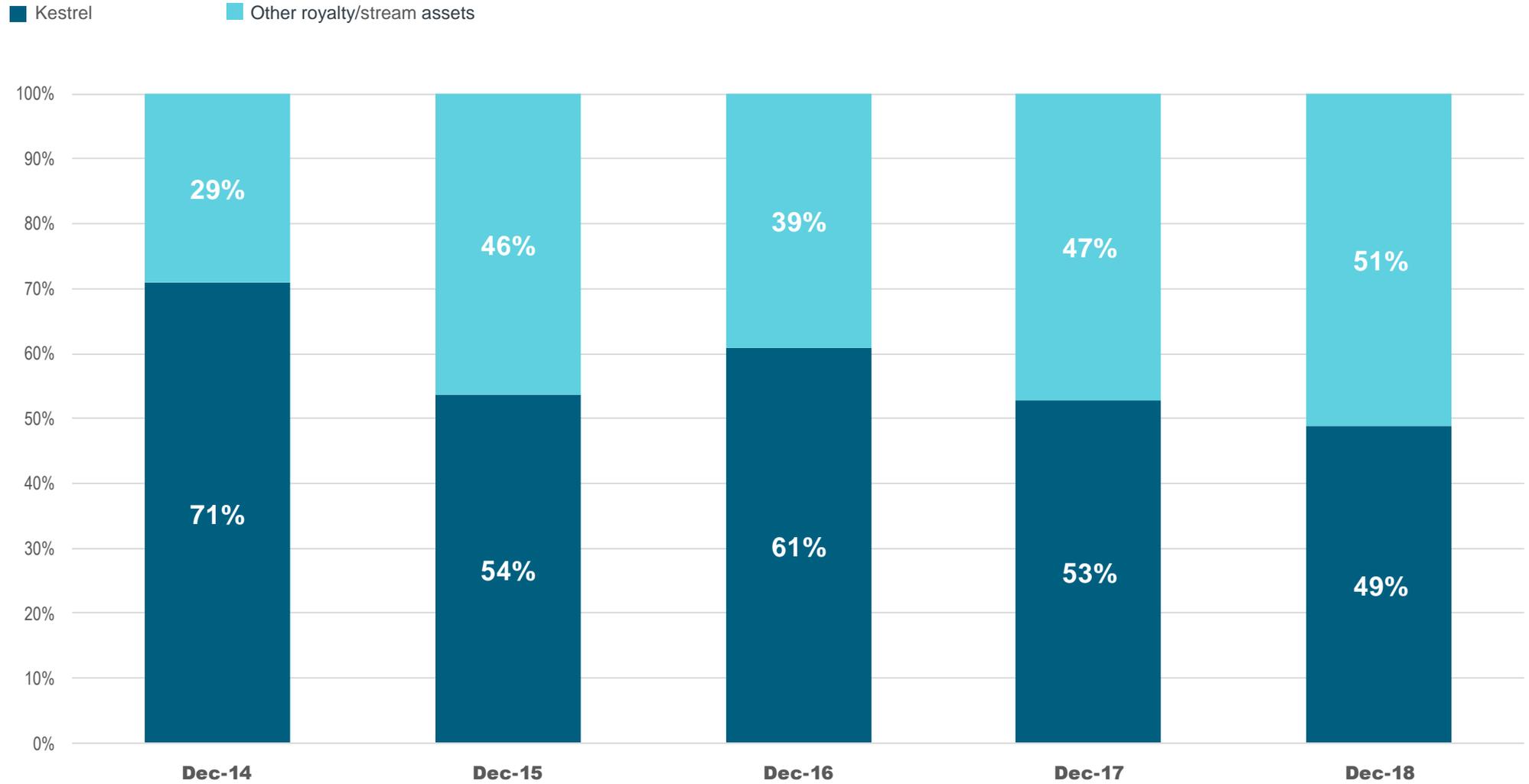
2. Includes Maracas and Narrabri royalties, Denison financing, and LIORC dividends.

3. Year ended 31 December 2018

ACQUISITIONS HAVE DIVERSIFIED PORTFOLIO

KESTREL CONTRIBUTION TO ANGLO PACIFIC NAV (1)

(As % of broker NAV estimates)



1. Broker estimates.

PROVEN CAPITAL ALLOCATION HISTORY

ASSET	TRANSACTION DATE	ACQUISITION CONSIDERATION	ESTIMATED DCF VALUE	31/12/18 CUMULATIVE INCOME	TOTAL INCOME AS % OF ACQUISITION PRICE
MARACÁS MENCHEN (VANADIUM)	JUNE 2014	£14.4 MILLION	£35 – 75 MILLION ⁽¹⁾	£9.6 MILLION	66.7 %
NARRABRI (THERMAL COAL)	MARCH 2015	£41.7 MILLION	£70 – 85 MILLION	£15.8 MILLION	37.9%
MCCLEAN LAKE / CIGAR LAKE TOLL MILLING AGREEMENT (URANIUM)	FEBRUARY 2017	£26.6 MILLION	£21 – 27.1 MILLION ⁽²⁾	£8.2 MILLION	30.8%
LABRADOR IRON ORE ROYALTY CORP (IRON ORE)	AUGUST 2018	£38.4 MILLION	£53.5 MILLION ⁽³⁾	£1.9 MILLION	4.9%

1. Maracás Menchen downside NAV based on Vanadium price of US\$10/lb, upside based on Vanadium price \$20/lb

2. Based on potential Phase II expansion plans occurring

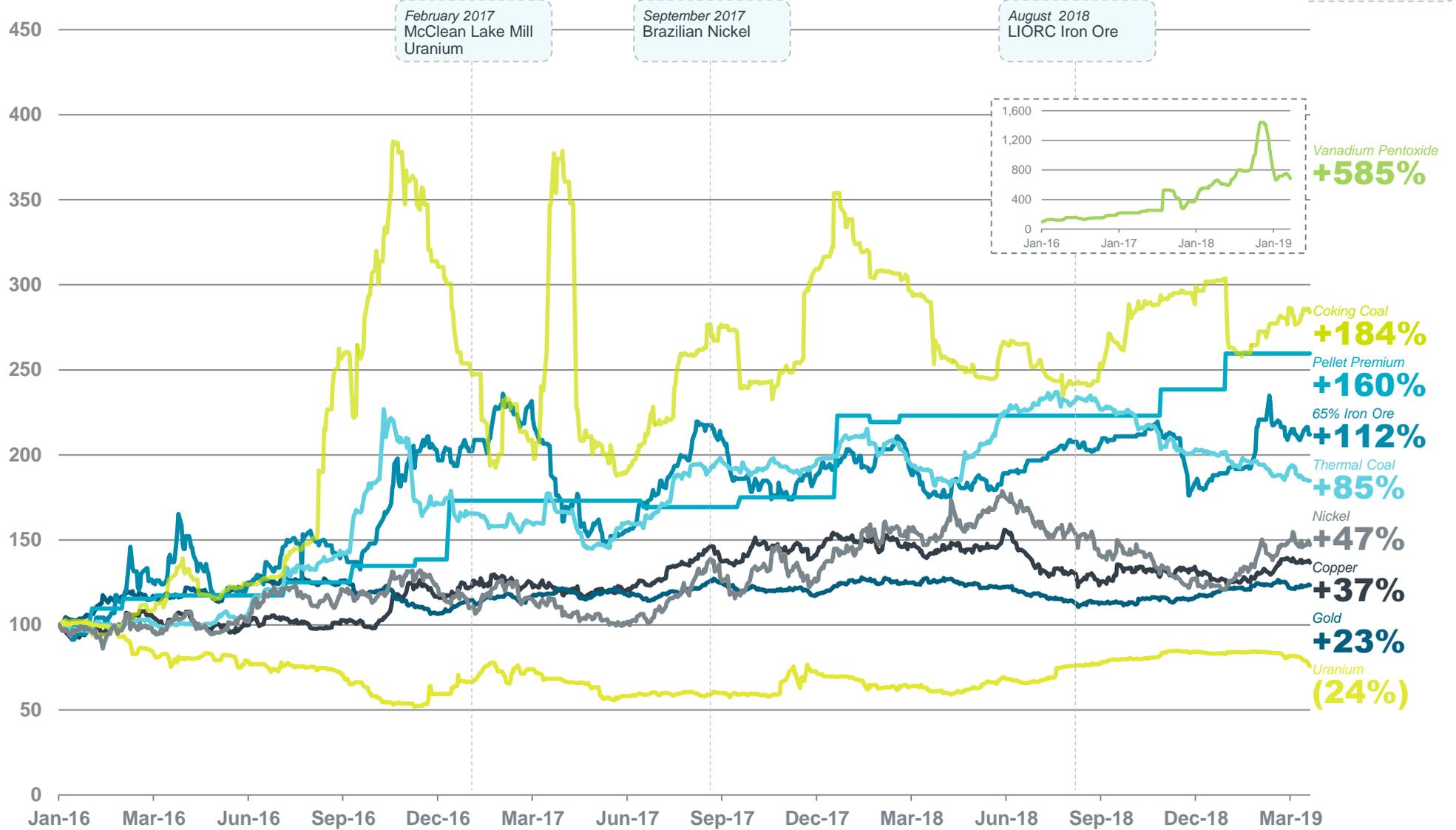
3. Based on closing price 11/02/2019

COMMODITY PRICE PERFORMANCE 2016-2019 YTD

THE COMMODITIES WE HAVE OBTAINED EXPOSURE TO HAVE PERFORMED STRONGLY SINCE JANUARY 2016

COMMODITY PRICE PERFORMANCE (REBASED TO 100)⁽¹⁾

1 January 2013 – 21 March 2019



1. Bloomberg, FactSet

FINANCIAL REVIEW

FINANCIAL HIGHLIGHTS

RECORD YEAR FROM OUR PORTFOLIO, RESULTING IN A 14% INCREASE IN THE TOTAL DIVIDEND FOR 2018

ADJ. EARNINGS/(LOSS) PER SHARE⁽¹⁾

Pence per share

■ H1 ■ H2

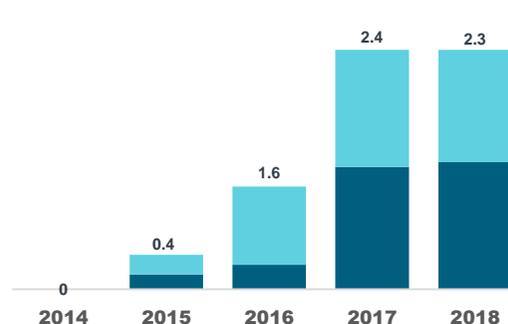


- 7% increase in AEPS 2017
- Maracás Menchen income up by 195%
- Overheads remained consistent with the previous year, and still at same level as 2014 despite noticeable income growth
- Tax losses utilised in full during H1 2018 resulting in an effective tax rate for the year of 25% (2017: 9%) based on adjusted earnings
- Outlook is very encouraging, particularly with 40% volume increases targeted by Kestrel owners

DIVIDEND COVER⁽²⁾

Cover per share

■ H1 ■ H2

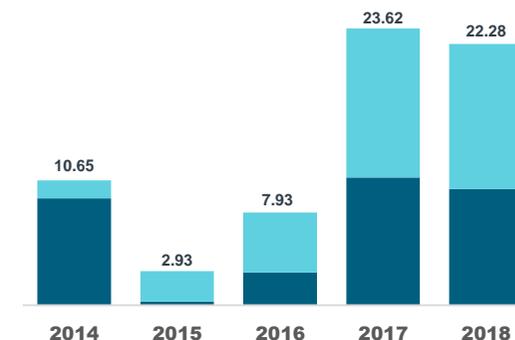


- Dividend cover broadly similar to previous year despite a 14% increase in the dividend
- 25% increase in the final dividend being recommended for 2018
- Kestrel growth targets likely to have positive implications for 2019 dividend
- 2019 dividend will depend on commodity price levels – 1.625p quarterly dividend for 2019 maintained until Q4 when the final dividend will be determined

FREE CASH FLOW PER SHARE⁽³⁾

Pence per share

■ H1 ■ H2



- Cash flow in line with the previous year once the Denison back payment in 2017 is excluded
- Current period includes £1.9m relating to the sale of the Indo Mines debenture
- Cash flow and earnings was impacted by a stronger pound during 2018

1. Adjusted earnings/(loss) represents the Group's underlying operating performance from core activities. Adjusted earnings/(loss) is the profit/(loss) attributable to equity holders less all valuation movements, non-cash impairments and amortisation charges (which are non-cash IFRS adjustments that arise primarily due to changes in commodity prices), finance costs, any associated deferred tax and any profit or loss on non-core asset disposals as these are not expected to be ongoing.

2. Dividend cover is calculated as the number of times adjusted earnings per share exceeds the dividend per share.

3. Free cash flow per share represents the net cash generated in the period before dividends, royalty acquisitions, equity issuances and changes in the level of borrowings. It includes cash flow generated from the disposal of non-core asset disposals.

INCOME SUMMARY

ANOTHER RECORD YEAR FROM OUR PORTFOLIO

FIGURES IN £m	2018	2017	2016
Kestrel	32.6	28.8	13.1
Maracás Menchen	5.9	2.0	0.8
Narrabri	3.5	4.9	4.2
Four Mile	0.1	--	--
EVBC ⁽¹⁾	--	1.7	1.2
Royalty income	42.1	37.4	19.7
LIORC dividends	1.9	--	--
Interest – McClean Lake & Jogjakarta	2.1	2.2	0.2
Royalty related revenue	46.1	39.6	19.9
EVBC ⁽¹⁾	2.0	--	--
Principal repayment – McClean Lake ⁽²⁾	1.3	3.0	
Total portfolio contribution	49.4	42.6	19.7

- Realised prices at Kestrel were higher on average during 2018 – royalty revenue in 2018 and 2017 was based on virtually identical volumes
- Vanadium price more than tripled on average during 2018, although this has retreated somewhat thus far in Q1 2019
- LIORC Q4 2018 dividend implies a running yield of ~10%
- Narrabri was disappointing, being impacted by the continued technical issues associated with a localised fault
- Average GBP:AUD was 1.7862 (2017: 1.6811) Average GBP:USD was 1.3350 (2017: 1.2887)

1. Following the application of IFRS 9, the royalties received from EVBC are reflected in the fair value movement of the underlying royalty rather than recorded as royalty income.

2. The McClean Lake principal repayment in 2017 included £1.8m relating to tolling receipts from H2 2016

SUMMARY BALANCE SHEET

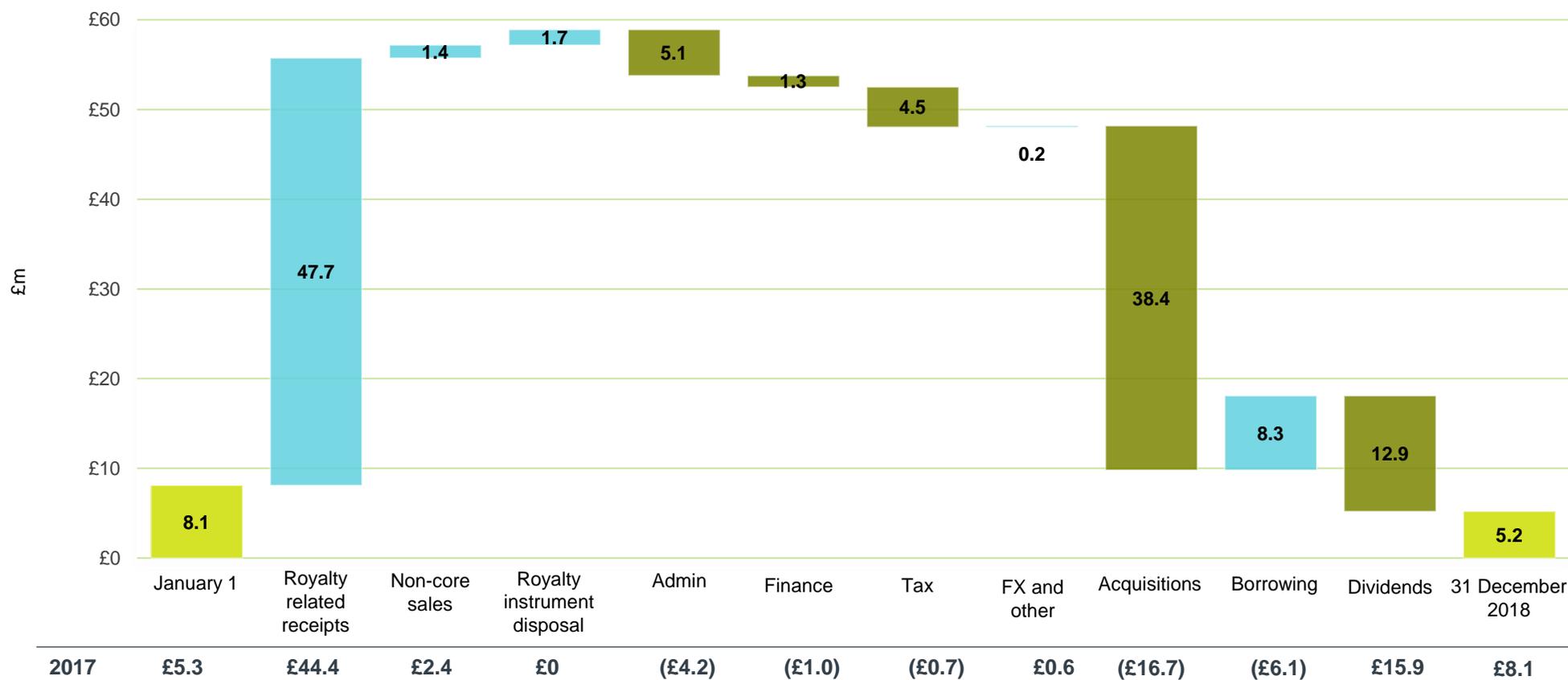
FIGURES IN £m	31 Dec 2018	31 Dec 2017
Coal royalties (Kestrel)	109.8	104.3
Royalty financial instruments	46.2	10.9
Royalty and exploration intangibles	71.2	77.4
Other long-term receivables	19.3	21.3
Total royalty assets	246.5	213.9
Mining and exploration interests	2.8	16.4
Cash and cash equivalents	5.2	8.1
Trade and other receivables	10.3	8.7
Other (including deferred tax)	4.4	6.3
Total assets	269.2	253.4
Borrowings	8.3	--
Deferred tax	35.2	31.5
Trade and other payables	3.0	2.5
Other	4.6	0.5
Total liabilities	51.1	(34.5)
Net Assets	218.1	218.9

FINANCIAL RESOURCES

REFINANCING PROVIDES ~US\$100M OF LIQUIDITY

IN £ MILLIONS

(January 1 to December 31)

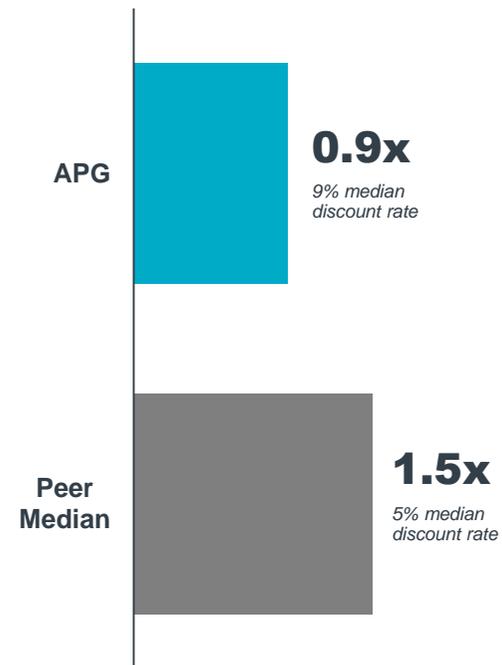


- » Free cash flow in line with 2017, benefitting from a further £3m on non-core asset disposals
- » Finished the year with a modest net debt of £3m despite investing £38m and paying £13m of dividends
- » Doubled the size of the Group's bank borrowings during the year capture enlarged debt capacity
- » ~\$100m liquidity today which, with a well covered dividend, should increase further as we go through 2019 (before acquisitions)

KEY METRICS VS. PEERS⁽¹⁾

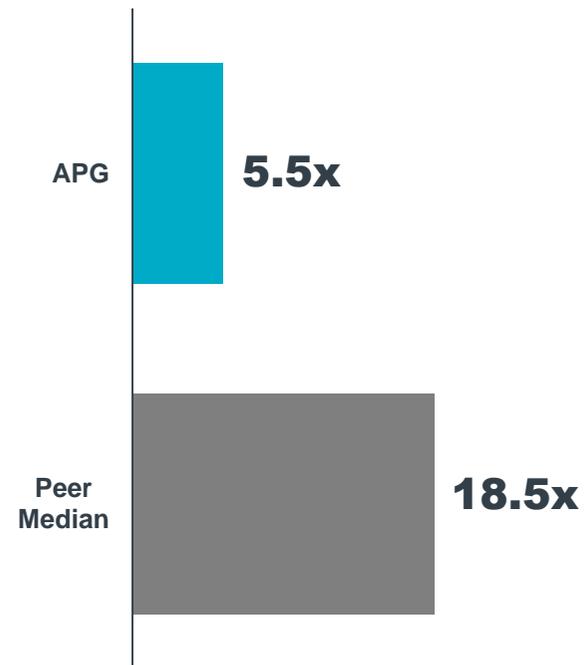
P / NAV⁽³⁾

Ratio



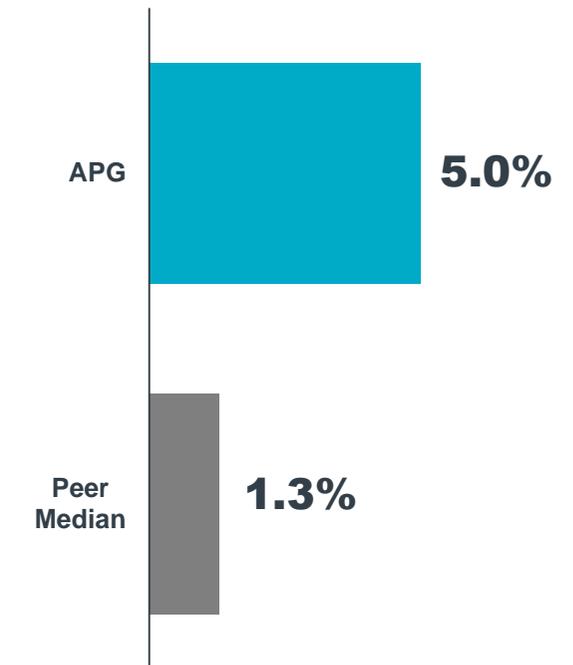
EV / 2019E EBITDA

Ratio



2019E DIVIDEND YIELD⁽²⁾

%



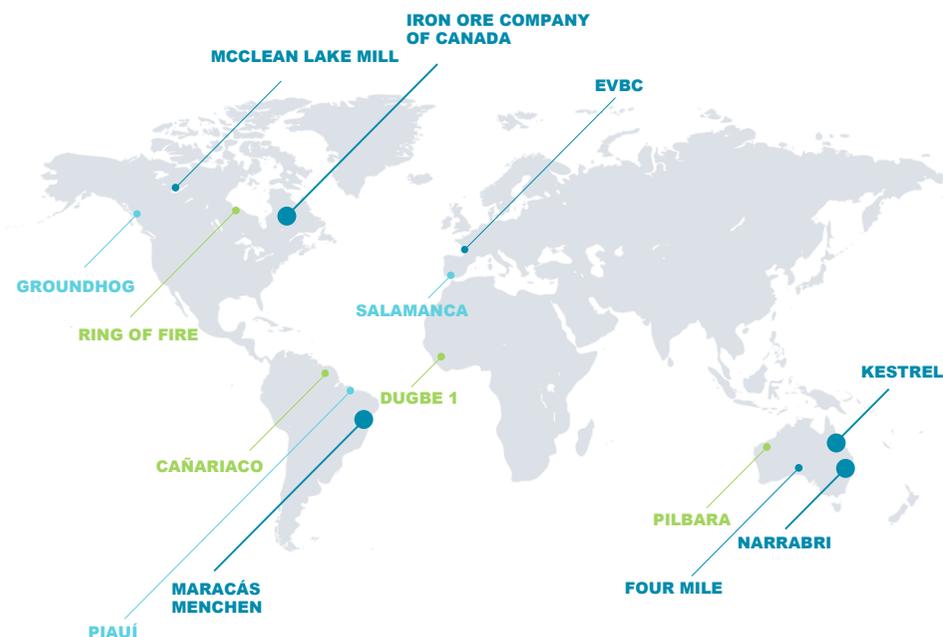
Source: Company filings, FactSet, street research

1. Peers include Altius, Franco-Nevada, Labrador Iron Ore Royalty, Maverix Metals, Osisko Gold Royalties, Royal Gold, Sandstorm Gold and Wheaton Precious Metals.
2. Dividend yield based on FactSet consensus.
3. P/NAV based on broker estimates

ROYALTY PORTFOLIO UPDATE

GEOGRAPHIC AND COMMODITY EXPOSURE

A DIVERSE PORTFOLIO OF 14 PRINCIPAL ROYALTY AND STREAMING RELATED ASSETS OVER FIVE CONTINENTS WITH LIMITED GEOPOLITICAL RISK



7 PRODUCING

ROYALTY	COMMODITY	OPERATOR	LOCATION	ROYALTY TYPE AND RATE / STREAM VOLUME ¹
KESTREL ²	COKING & THERMAL COAL	EMR CAPITAL / PT ADARO ENERGY	AUSTRALIA	7 – 15% GRR
MARACÁS MENCHEN	VANADIUM	LARGO RESOURCES	BRAZIL	2% NSR
NARRABRI	THERMAL & PCI COAL	WHITEHAVEN COAL	AUSTRALIA	1% GRR
IRON ORE COMPANY OF CANADA ³	IRON ORE & IRON ORE PELLETS	RIO TINTO	CANADA	7% GRR ³
DENISON / MCCLEAN LAKE ⁴	URANIUM (TOLL MILLING)	DENISON MINES INC./ AREVA / CAMECO	CANADA	ENTITLEMENT TO 22.5% OF TOLL MILLING REVENUE
EVBC ⁵	GOLD, COPPER & SILVER	ORVANA MINERALS	SPAIN	2.5 – 3% NSR
FOUR MILE	URANIUM	QUASAR RESOURCES	AUSTRALIA	1% NSR

3 DEVELOPMENT

SALAMANCA	URANIUM	BERKELEY ENERGIA	SPAIN	1% NSR
GROUNDHOG ⁶	ANTHRACITE COAL	ATRUM COAL	CANADA	0.5 – 1.0% GRR
PIAUI	NICKEL & COBALT	BRAZILIAN NICKEL	BRAZIL	1% GRR

4 EARLY-STAGE

PILBARA	IRON ORE	BHP BILLITON	AUSTRALIA	1.5% GRR
CAÑARIACO ⁷	COPPER, GOLD, & SILVER	CANDENTE COPPER	PERU	0.5% NSR
RING OF FIRE	CHROMITE	NORONT RESOURCES	CANADA	CANADA
DUGBE 1	GOLD	HUMMINGBIRD RESOURCES	LIBERIA	2 – 2.5% NSR

1. GRR – Gross Revenue Royalty. NSR – Net Smelter Return royalty.
2. Kestrel royalty terms (Anglo Pacific entitlement): 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.
3. Held indirectly through common shares of Labrador Iron Ore Royalty Corporation.
4. Anglo Pacific loan of C\$40.8m to Denison to be repaid from the revenues which Denison receives through their entitlement to toll revenue generated through their part ownership of the McClean Lake Uranium Mill (operated by AREVA).

5. EVBC: El Valle-Boinás Carlés. 2.5% NSR royalty escalating to 3% for gold prices in excess of US\$1,100 per ounce.
6. 0.5% GRR royalty over entire project converts to 0.1% royalty over Groundhog North Mining complex 10 years after the declaration of commercial production. Anglo Pacific also retains the higher of a 1% GRR or US\$1.00 per tonne on certain areas of the Groundhog project acquired by Atrum Coal from Anglo Pacific during 2014.
7. Entrée Resources Ltd. entitled to 20% of any royalty income prior to 31 December 2029, 15% of income received between 1 January 2030 and 31 December 2035, and 10% of any income received between 1 January 2035 and 31 December 2040.

ROYALTY PORTFOLIO UPDATE : KESTREL

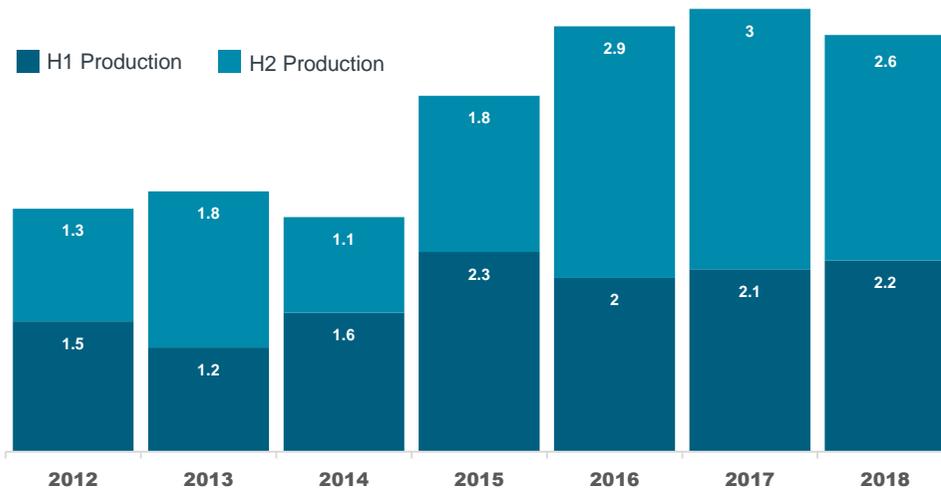
PRODUCING⁽¹⁾

- Rio Tinto's 80% Kestrel stake acquired from Rio Tinto by EMR Capital (EMR) (52%) and PT Adaro Energy (Adaro) (48%) for a US\$2.25 billion consideration
- EMR is a specialist natural resources private equity manager
- PT Adaro Energy is an Indonesian listed coal company with a market capitalization of ~US\$4.0 billion
- CY 2018 production of 4.8 million tonnes of coal
- Adaro has stated the consortium is seeking to increase production by 40% in CY 2019 compared to 2018.
- Over 90% of Kestrel's saleable tonnes expected to be derived from Anglo Pacific's private royalty lands for the immediate future
- Kestrel royalty independently valued at A\$198.2m as at 31 December 2018

KESTREL PRODUCTION⁽¹⁾

million tonnes

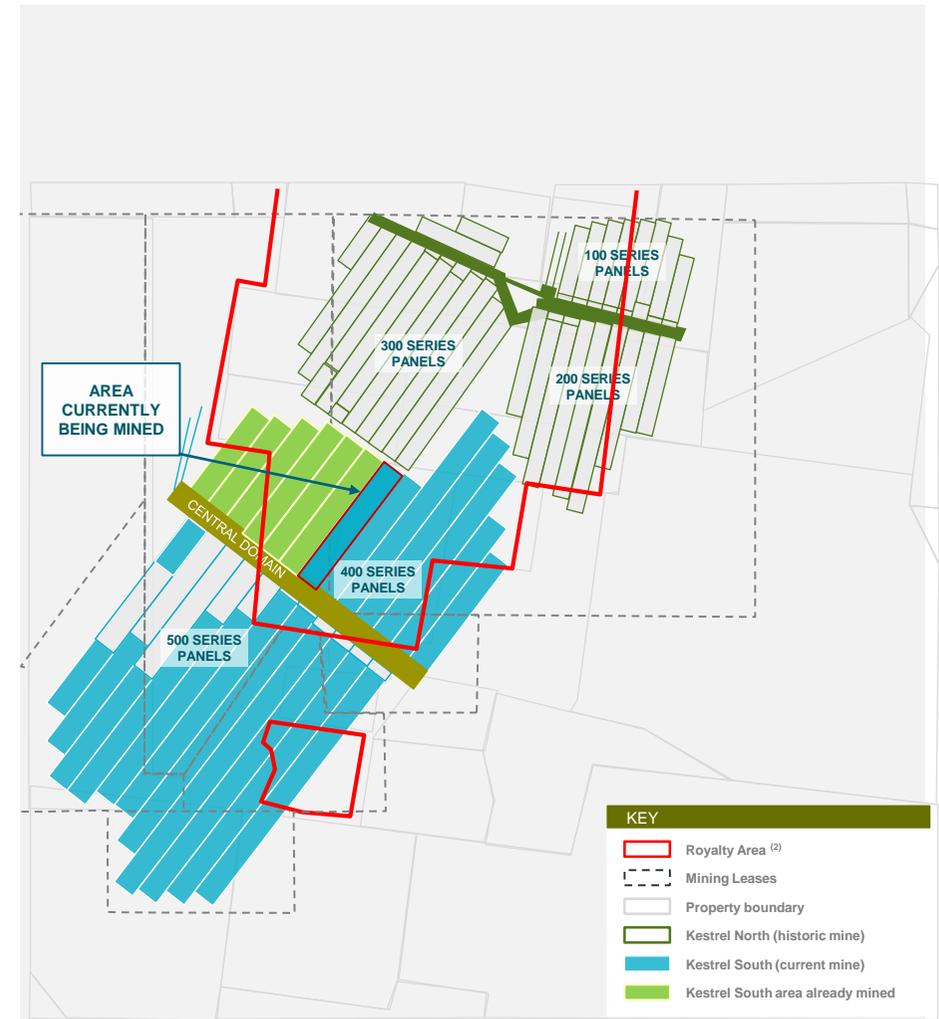
■ H1 Production ■ H2 Production



1. See endnote (i)

2. Anglo Pacific owns an effective 50% right to a coal royalty on coal produced within the royalty area at the Kestrel mine.

ILLUSTRATIVE ANGLO PACIFIC ROYALTY AREA⁽¹⁾



ROYALTY PORTFOLIO UPDATE : MARACÁS MENCHEN

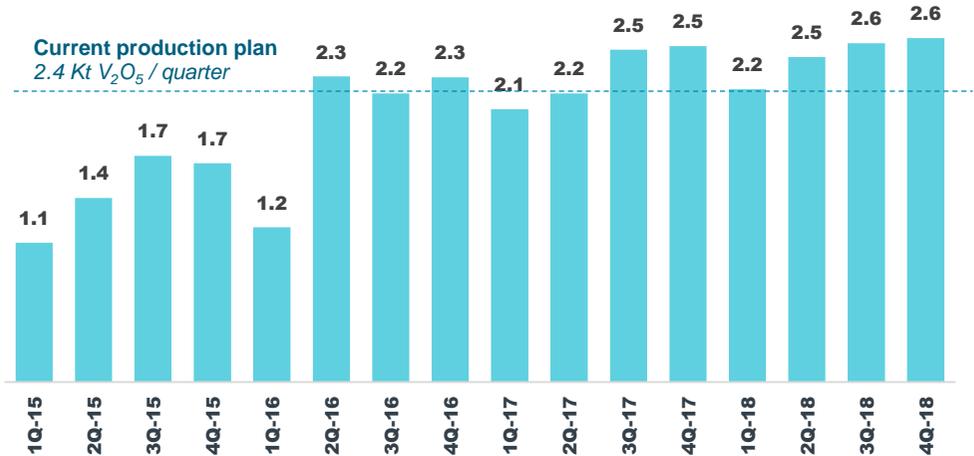
PRODUCING⁽¹⁾

- Record FY 2018 production of 9,830 tonnes of V_2O_5 , a 6% increase over FY 2017 and the highest production level in Largo's history.
- New quarterly production record of 2,595 tonnes of V_2O_5 achieved in Q4 2018.
- 2019 Production Guidance of 10,000 to 11,000 tonnes of V_2O_5
- As of Q3 2018, Largo sold 1,080 tonnes of "high purity" vanadium pentoxide flake which yields a price premium over and above standard V_2O_5 and is one of only a few producers that can supply high purity speciality markets
- Largo estimates its 2019 average annual operating costs excluding royalties will range from US\$3.45 to US\$3.65 per pound of V_2O_5 making it one of the lowest cost global producers.
- The Maracás Menchen expansion plan to increase nameplate production capacity to approximately 1,000 tonnes of V_2O_5 per month, an increase of 25% over current nameplate is progressing.
- Expansion ramp up is to begin in Q2 2019 and is expected to be complete in Q3 2019.
- Vanadium pentoxide prices remain strong
 - US\$15.5/lb as of 31 December 2018 from US\$8.80/lb at the start of the year⁽²⁾
 - US\$14.5/lb spot price as of March 2019⁽²⁾



HISTORICAL MARACÁS MENCHEN PRODUCTION⁽¹⁾

Kt V_2O_5



HISTORICAL VANADIUM PENTOXIDE PRICE⁽²⁾

1 Jan 2007 – 26 Mar 2019 (US\$/lb V_2O_5)



1. See endnote ii)

2. Bloomberg

ROYALTY PORTFOLIO UPDATE : LABRADOR IRON ORE ROYALTY CORPORATION (LIORC)

OVERVIEW⁽¹⁾

- LIORC holds a 15.10% equity interest in Iron Ore Company of Canada ("IOC") and receives a 7% gross overriding royalty and a 10 cent per tonne commission on all iron ore products produced, sold and shipped by IOC.
- Fully integrated mine to port production system producing high quality iron ore concentrate (65% Fe) and pellets for export to seaborne market
- Open pit mining operations and processing facilities located near Labrador City, Canada
- Total saleable production (Concentrate for Sale "CFS", and Pellets") of 15.2 million tonnes in 2018 compared to 19.0 million tonnes in 2017, largely due to the labour strike in the second quarter of 2018.⁽²⁾
- Rio Tinto's guidance for 2019 is 19.2 million to 20.9 million tonnes of saleable production on a 100% basis.
- LIORC management recently conceded that it will no longer seek shareholder approval to amend its articles of association in order to invest in other royalties, and as such the dividend in Q1 19 could contain some retained cash from H2 2018.

IRON ORE PRODUCT OVERVIEW⁽²⁾

IOC CONCENTRATE Recognised for its low alumina, very low phosphorus

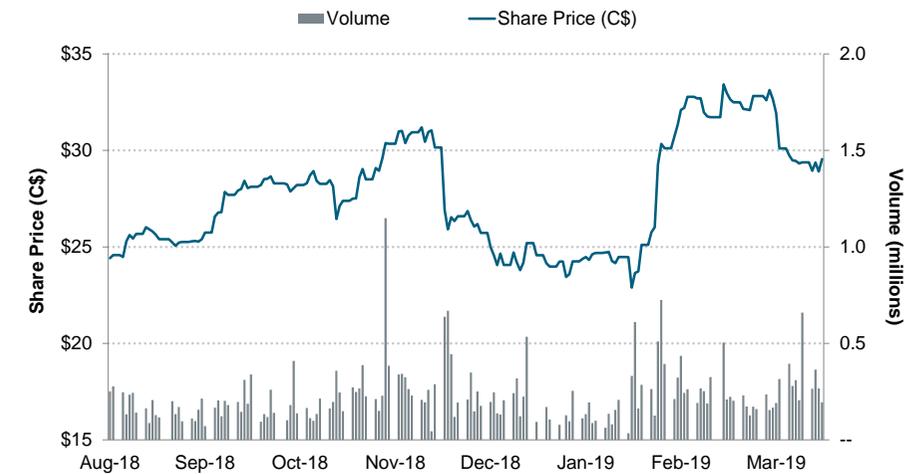
- IOC PELLETS**
- i) Standard and low silica acid pellets (non-fluxed)
 - ii) High grade direct reduction pellets
 - ii) Fluxed pellets

VALUE SUPPORTED BY i) Trend towards higher quality and consumer steels

MANUFACTURING ii) Value in use differentiation through low alumina and phosphorous

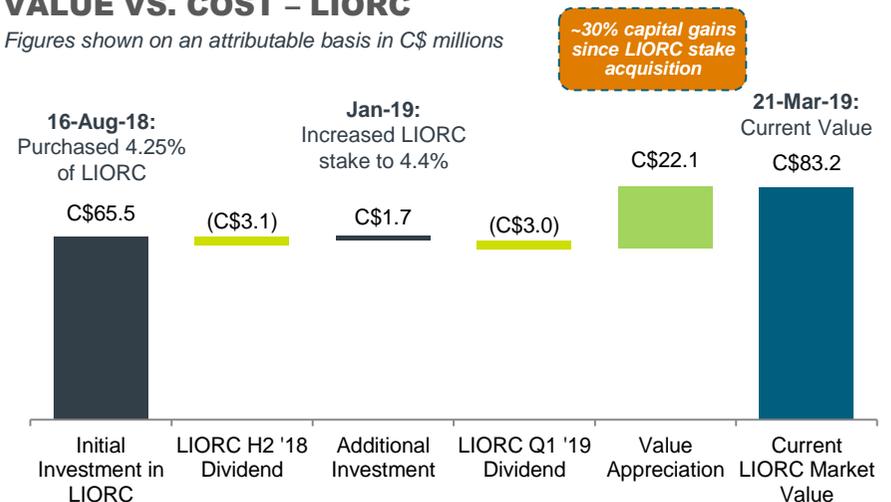
LIORC RECENT SHARE PRICE PERFORMANCE

Priced as of 21-Mar-19, since 16-Aug-18



VALUE VS. COST – LIORC

Figures shown on an attributable basis in C\$ millions



1. LIORC filings. See endnote (iii)

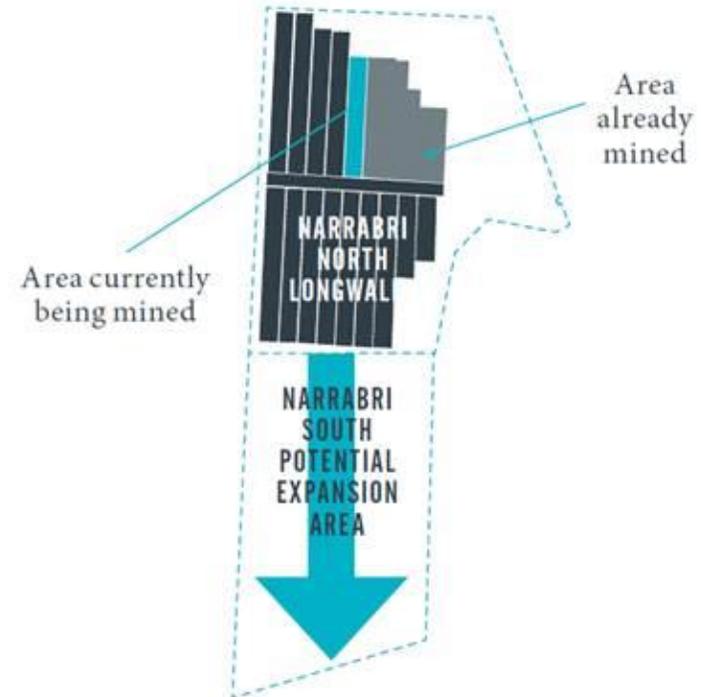
2. Rio Tinto filings

ROYALTY PORTFOLIO UPDATE : NARRABRI

PRODUCING ⁽¹⁾

- The performance from Narrabri in 2018 was impacted by ongoing geotechnical issues associated with a fault in the coal body and weighting events, requiring Whitehaven Coal to perform step around procedures.
- Sales of produced coal in CY 2018 was 4.7 million tonnes.
- Whitehaven Coal achieved a strong level of ROM coal production in the first half of FY2019 (ending 31 December 2018) of 2.9 million tonnes with production on the December quarter close to record levels.
- Whitehaven has provided the following Narrabri ROM coal production guidance for the fiscal years ending 30 June:
 - FY2019: 5.6 Mt – 6.0 Mt
 - FY2020: 6.2 Mt – 6.6 Mt
- In its December 2018 quarterly production update, Whitehaven announced that it has formed a team to work on the Narrabri Stage 3 Project which includes the conversion of the southern exploration licence to a mining lease.
- Studies are underway in parallel to refine mining options for the expanded mining lease

LONG TERM OPTIONS FOR NARRABRI “STAGE 3 PROJECT”



1. See endnote (iii).

ROYALTY PORTFOLIO UPDATE: OTHER PRODUCING

DENISON / MCCLEAN LAKE MILL: PRODUCING⁽¹⁾

- Cigar Lake produced 18 Mlbs of U₃O₈, equivalent to 2017 production
- Cameco is targeting Cigar Lake 2019 production of 18 Mlbs U₃O₈
- Life-of-mine Cigar Lake operating and milling costs estimated at C\$15.42 per pound U₃O₈
- Estimated remaining mine life to 2029

FOUR MILE: PRODUCING

- The Group is engaging with Quasar Resources in an attempt to resolve the royalty calculation dispute

EL VALLE AND CARLÉS MINES (EVBC): PRODUCING⁽²⁾

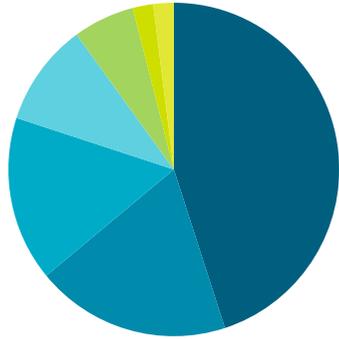
- Productivity enhancements allowing for delivery of higher processed ore volume and grades to the mill
- Fiscal year production ending 30 September 2018 : Au: 58.3 Koz, Cu: 5.1 Mlb
- Fiscal year production guidance ending 30 September 2019: Au: 62 to 68 Koz, Cu: 3.2 to 3.6 Mlb
- Orvana recently announced a new four-year borrowing facility with a syndicate of Spanish banks on better economic terms.

SALAMANCA PROJECT: DEVELOPMENT⁽³⁾

- Applications for Urbanism Licence and Construction Works Authorization are ongoing
- Permits are required to proceed with construction and commissioning.
- Berkeley Energia announced that it has received a number of favourable assessments from various regulatory bodies despite the claims in the media that the authorities intended to deny permitting.

1. See endnote (iv).
 2. See endnote (v).
 3. See endnote (vi).

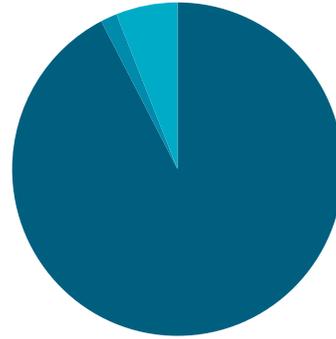
DIVERSIFIED PORTFOLIO OF ROYALTIES



COMMODITY EXPOSURE⁽¹⁾

55% of the royalty portfolio is now non-coking coal, reducing the Group's reliance on Kestrel

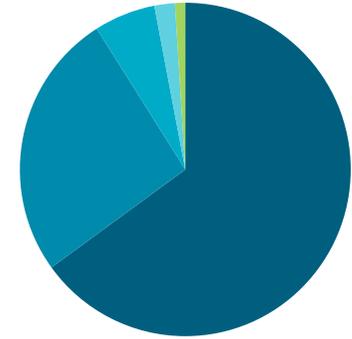
■ COKING COAL ⁽²⁾	45%
■ IRON ORE	19%
■ THERMAL COAL ⁽²⁾	16%
■ URANIUM	10%
■ VANADIUM	6%
■ GOLD ⁽³⁾	2%
■ OTHER	2%



STAGE OF PRODUCTION⁽¹⁾

92% of the portfolio is producing royalties

■ PRODUCING	92%
■ DEVELOPMENT	2%
■ EARLY STAGE	6%



GEOGRAPHIC EXPOSURE⁽¹⁾

99% of the portfolio is in established natural resources jurisdictions

■ AUSTRALIA	65%
■ CANADA	26%
■ BRAZIL	6%
■ SPAIN	2%
■ OTHER	1%

1. Anglo Pacific royalty related assets as of 31 December 2018.

2. Kestrel production primarily coking coal. Narrabri production primarily thermal coal.

3. Gold commodity exposure includes the EVBC royalty which includes copper and silver by-products.

SOURCES OF NEAR TERM GROWTH FROM PRODUCING ASSETS

ASSET	PRODUCTION UPSIDE	MINE LIFE EXTENSION
KESTREL (COKING COAL)	Purchase of Kestrel by EMR and Adaro completed on 1 August 2018, with the new operator targeting an increase of 40% in production in 2019.	Exploring options with new owners.
LARGO RESOURCES (VANADIUM)	Production expansion underway.	Develop mineralisation within Maracás concession along strike length of resources (40km strike length).
NARRABRI (THERMAL COAL)	Permission granted to mine up to 11.0Mt.	Work underway in the exploration lease to the south of the current mining lease with a view to increasing the Resource and Reserves in the area. A drill programme commenced early in 2017 along with mine planning and environmental studies. The results of this activity should become available over the next year and could lead to an increase in Narrabri mine life.
MCCLEAN LAKE / CIGAR LAKE TOLL MILLING AGREEMENT (URANIUM)	Annual licensed production capacity of 24Mlbs U ₃ O ₈ (Currently processing ~18Mlbs U ₃ O ₈ per year).	Anglo Pacific is in a position to benefit from the Phase II mine expansion, which currently has Inferred Mineral Resources of c.17% grade and 93Mlbs contained U ₃ O ₈ .
LABRADOR IRON ORE ROYALTY CORP (IRON ORE)	Liquid asset with potential for underlying growth, as well as flexibility to sell down or increase indirect exposure to LIORC's 7% GRR and stake in IOC.	Reserves support a ~25-year mine life at planned IOC production rates; IOC has sufficient mineral inventory to support future expansion options.

BUILDING OUR SUSTAINABILITY PROFILE

OUR STRATEGY IS TO FUND BETTER QUALITY, CLEANER UNDERLYING COMMODITIES WHICH ARE GOOD FOR THE WORLD



OUR APPROACH

While Anglo Pacific does not control any of the assets in which it has an interest, we are committed to supporting and financing responsible mining, promoting a cleaner future by reducing our coal exposure, investing in lower-risk jurisdictions in projects with higher quality, less polluting commodities and with partners that operate to the highest possible standards of environmental and social responsibility.

INVESTING RESPONSIBLY

We believe that responsible investment and long-term success go hand-in-hand. Our strategic and operational decisions are informed and guided by best international ESG practices for the mining industry as well as our internal due diligence processes.

DUE DILIGENCE	THIRD PARTY OPERATOR COMPLIANCE	ADOPTING A LEADERSHIP ROLE	HIGH QUALITY, LESS POLLUTING PORTFOLIO
<p>OUR APPROACH</p> <p>As we make investments, we think it is important to take an informed and critical approach to what we invest in. Our bespoke due diligence process allows us to fully investigate, assess and benchmark each potential investment against a stringent list of criteria</p>	<p>OUR APPROACH</p> <p>To be a responsible investor, it is important that we understand our partners' approach to ESG and compliance processes</p>	<p>OUR APPROACH</p> <p>We want to be at the forefront of change. As a natural resources royalty and streaming business, we look to encourage and promote best practice</p>	<p>OUR APPROACH</p> <p>We pride ourselves on developing a diversified portfolio, focusing on high-quality, less polluting projects and commodities</p>
<p>OUR RESPONSE</p> <p>Conducting a robust due diligence process Benchmarking against our own rigorous criteria as well as best practice in the industry</p>	<p>OUR RESPONSE</p> <p>Engaging with operators to understand and monitor their processes to ensure they are in line with best industry practices</p>	<p>OUR RESPONSE</p> <p>Participating in thought- leadership and roundtable discussions with sector participants, our peers and the companies we invest in</p>	<p>OUR RESPONSE</p> <p>Using our stringent investment criteria, we look to invest in higher quality, less polluting projects and commodities</p>

1. Iron Ore Company of Canada

OUTLOOK

GIVEN OUR TRACK RECORD TO DATE, WE ARE CONFIDENT THAT WE CAN DELIVER ON OUR GROWTH AMBITIONS

We expect 2019 to produce healthy organic growth from our royalty portfolio. This should, subject to prevailing commodity prices, result in another strong year of earnings and cash generation

- ~£78m (~US\$100m) of liquidity on our balance sheet for making additional quality investments
- Refinanced and upsized bank facilities from US\$30m to US\$60m with an additional US\$30m accordion available
- Mining at Kestrel >90% within the Group's private royalty area
- Kestrel owners (EMR and Adaro) seeking to increase production by 40% in 2019
- Maracás Menchen expansion plans expected to deliver volume growth in 2019
- Commodity prices underlying key Anglo Pacific royalty related assets remain resilient (particularly coking coal, iron ore pellets and vanadium)
- Seeking to further diversify royalty portfolio

ENDNOTES

Third party information

As a royalty and streaming Company, 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 investments, as available at the date of this announcement. Accordingly, no representation or warranty, express or implied, is made and no reliance should be placed, on the fairness, accuracy, correctness, completeness or reliability of that data, and such data involves risks and uncertainties and is subject to change based on various factors.

- 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. Current longwall panel mining as per Rio Tinto First Quarter 2018 Operations Review. Kestrel production figures as per Rio Tinto Second Quarter 2018 operations review, Second and Fourth Quarter 2017 operations review, Second and Fourth Quarter 2016 Operations Review, Second and Fourth Quarter 2015 Operations Review, Second and Fourth Quarter 2014 Operations Review, and Second and Fourth Quarter 2013 Operations Review. Illustrative map of Kestrel royalty area as per Rio Tinto Referral of Proposed Action Kestrel Mine Extension #4 (September 2015).
- ii. Largo Resources Limited (“Largo”), the owner of the Maracás Menchen 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. Largo production, daily production records capacity expansion, daily production record, and high purity product sales as per Largo investor presentation dated August 2018 and Largo press released dated 13 August 2018 entitled “Largo Resources Reports Record Second Quarter 2018 Cash Flows Before Non-Cash Working Capital Items of \$77.7 Million, on Revenues of \$103.3 Million”. Historical Maracás Menchen production as per Largo Management Discussion & Analysis for the quarters ended 30 June 2018, 30 June 2017 and 31 December 2015.
- iii. Whitehaven Coal Limited (“Whitehaven”), the majority owner of the Narrabri mine, is listed on the Australian Securities Exchange and reports in accordance with the JORC Code. H1 calendar year 2018 production as per Whitehaven June 2018 Quarterly Report and December 2017 Quarterly Report. Production guidance for fiscal year ending 30 June 2019, 30 June 2020, and 30 June 2021, forecast longwall changeouts, and illustrative near term mine plan as per Whitehaven fiscal year 2018 Results Presentation dated 14 August 2018.
- iv. Cameco Corporation (“Cameco”), the majority owner of the Cigar Lake project (“Cigar Lake”), 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. Cigar Lake H1 2018 and H1 2017 production and estimated life of mine production and milling costs as per Cameco Management’s discussion and analysis for the quarter ended 30 June 2018. 2018 Cigar Lake production target as per Cameco website.
- 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. Year to date fiscal year 2018 production, fiscal year 2018 production guidance, and productivity enhancements allowing for higher ore processing volumes as per Management’s Discussion And Analysis For The Three And Nine Months Ended 30 June 2018.
- vi. Berkeley Energia Limited (“Berkeley”), the owner of the Salamanca project, is listed on the Australian Securities Exchange and reports in accordance with the JORC code. Information related to permitting, and the construction and commissioning phases as per Berkeley’s June 2018 Quarterly Report.

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 Menchen 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.