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News Release

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Anglo Pacific Group plc completes Royalty Option Agreement with Horizonte Minerals plc on the Araguaia and Lontra Nickel Projects in Brazil

Anglo Pacific Group plc ("Anglo Pacific") (LSE: APF) (TSX: APY) is pleased to announce that, subsequent to the signing of an MOU on July 27, 2010, it has now completed the Royalty Option Agreement with Horizonte Minerals plc ("Horizonte") (AIM: HZM) for Anglo Pacific to purchase a Net Smelter Royalty ("NSR") on all revenues from the advanced exploration stage Araguaia and Lontra Nickel Projects ("Araguaia Project") in Brazil.

Anglo Pacific has paid to Horizonte the sum of US\$500,000 in exchange for the six year option to acquire a 1.5% NSR from the Araguaia Project for US\$12.5 million.

The NSR will be at a rate of 1.5% on production up to 30,000tpa – reduced by 0.02% for every 1,000 tpa above this rate of production, but never reducing below 1.1%. The NSR will be payable on all revenue from the Araguaia Project (defined by licence areas).

Anglo Pacific Group PLC is a global natural resources royalties company. The strategy of the Group is to expand its mineral royalty interests in low-cost, long-life mining assets. The Group achieves this through both direct acquisition and investment in projects at the development and production stage. It is a continuing policy of the Group to pay a substantial proportion of these royalties to shareholders as dividends.

For further information:

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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), 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.