Anglo Pacific Group PLC

17 Hill Street, Mayfair
London W1J 5NZ
Tel: 020 7409 1111
Fax: 020 7629 0370
www.anglopacificgroup.com

Australian Contact Details:
PO Box 604,
Claremont
WA 6910
Tel: 0407 778082
or 08 9380 9339
Fax: 08 9380 9280

The Listing Manager
Australian Stock Exchange Ltd
Level 10
20 Bond Street
Sydney NSW 2000

24 February 2010

ARBN 009 475 398

Dear Sir

Anglo Pacific Group plc ("the Company) attaches its Preliminary Results for the twelve months to 31 December 2009 prepared in accordance with United Kingdom requirements as described in Note 2.

Results for Announcement to the Market (per Appendix 4E):

Revenue

Revenue from ordinary activities:
(Royalties, profit on sale of mining & exploration interests and other income)

Pds stg 27.5 million	down 25.9%	from 2008 pds stg 37.1 million

Profits

Profit after tax from ordinary activities attributable to members

Pds stg 20.6 million	down 29.7%	from 2008 pds stg 29.3 million

Net profit before tax attributable to members

Pds stg 25.9 million	down 26.6%	from 2008 pds stg 35.3 million

Dividends

Final dividend		
4.65 p per share		2008 4.35p
Interim dividend paid		
3.70p per share		2008 3.45p
Total dividend for year		
8.35p per share	up 7.1%	from 2008 7.80p per share.

Record date to be advised.

Yours faithfully

Janis Nugawela
for and on behalf of
Anglo Pacific Group plc

Anglo Pacific Group PLC

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PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

Significant Expansion in Royalty Portfolio and 6.9% Increase in Final Dividend

Anglo Pacific Group PLC ("Anglo Pacific" or "The Group") (LSE: APF, ASX: AGP), the natural resources royalties company, today announces its Preliminary Results showing further substantial progress in the development of its royalty portfolio and an increase in both its final and full year dividends.

Financial Highlights

Royalties

- Australian coal royalties independent valuation of £149.9 million (2008: £93.3 million)
- Total value of other royalties £27.3 million (2008: £7.8 million)
- Coal royalty income for the year of £20.3 million (2008: £22.1 million)

Assets

- Total assets increased by 77% to a record £312 million (2008: £176 million)
- Total quoted and unquoted strategic interests valued at £113.5 million (2008: £45.8 million)
- Cash and royalty receivables at the year end of £17.9 million (2008: £28.4 million)

Earnings

- Profit before tax of £25,883,000 (2008: £35,255,000)
- Earnings per share of 19.20p (2008: 27.25p)
- Realised profits for the year from non-core mining interests of £6.4 million (2008: £14.0 million)

Dividends

- Final dividend increased by 6.9% to 4.65p per share (2008: 4.35p)
- Total dividends for the year increased by 7.1% to 8.35p (2008: 7.80p)

Operational Highlights

- New royalty rights acquired in gold, platinum and uranium
- Compliant resources announced for the Trefi and Panorama Canadian coal projects
- Threefold increase in value of strategic quoted interests
- Steady coking coal royalty receipts
- Increased exposure to coal and uranium projects
- TSX listing progressing

Commenting on the Preliminary Results, Peter Boycott, Chairman of Anglo Pacific Group PLC said:

"Anglo Pacific has made further progress in diversifying its royalty portfolio with four new royalties acquired during the year. Its quoted mining interests have increased in value threefold and the Group has strong cash reserves, no debt and total assets now well in excess of £300 million.

The Group remains committed to a progressive dividend policy and I am pleased to announce a 6.9% increase in the final dividend. Anglo Pacific will continue to make the acquisition of new royalties its overriding strategic focus."

For further information and enquiries:

Anglo Pacific Group PLC **+44 (0) 20 7318 6360**
Peter Boycott, Chairman
Matthew Tack, Finance Director

Anglo Pacific Group PLC

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PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

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.anglopacificgroup.com

2009 Review and Results

The latter part of 2009 has seen an improving economic outlook and substantially higher commodity prices. This is in sharp contrast to 2008 and the first few months of 2009 which were characterised by falling stock markets and the banking crisis.

This recovery in prices has benefited the Group and has been driven by a continuing demand for raw materials from the expanding Chinese and Asian economies. In addition, the protracted crisis in the banking sectors of the Western economies has led to an extended period of quantitative easing by several Governments. This is helping a broader economic recovery, but has raised concerns about future inflation and currency stability resulting in higher prices for gold and precious metals where the Group has substantial exposure.

The rising prices of base metals, oil and coal products have produced a strong recovery in the general mining sector. The junior quoted mining markets have also recently shown signs of recovery with indications of investment returning to the sector. This and the Group's policy of active involvement in mining projects has produced a substantial improvement in the value of the Group's total assets.

In the second half of the year the price of coking coal recovered sharply resulting in an increased Australian coal royalty evaluation at the year end and steady coking coal receipts for the year. The Group made substantial progress in developing other royalty interests with four new royalties acquired. The recovery in world stock markets during the year resulted in a threefold increase in the value of the Group's quoted interests.

The Group's coal royalty revenues for the year were £20.3 million (A$41 million) compared to £22.1 million (A$48 million) in 2008. This reflected the lower contracted price of circa $127 per ton in April 2009 compared with an agreed price of circa US$295 for the previous year. Over the course of 2009, however, the prices of both thermal and metallurgical coal from Australia have continued to benefit from the increasing demand for seaborne coal from China. Consequently, the Group's coal royalty interests were independently valued at 31st December 2009 at £149.9 million compared to £93.3 million at 31st December 2008.

The Group realised capital gains of £6.4 million during the year from the sale of non-core mining interests, compared to £14.0 million in 2008. This reflected relatively subdued junior mining markets during most of the year. Including royalty revenues, the Group achieved earnings of 19.20p per share compared to 27.25p in 2008.

In addition to the Kestrel and Crinum coking coal royalties in Queensland, Australia, the Group now owns seven further royalty entitlements. These are in addition to its royalty rights to mineral exploration on nearly five million acres of the Athabasca Basin in Canada. The total value of the Group's new royalty entitlements was £27.3 million at 31st December 2009 compared to £7.8 million at the end of the previous year.

The value of the Group's private mining interests and quoted stakes in mining projects recovered sharply to £113.5 million at 31st December 2009 compared to £45.8 million at 31st December 2008. The private mining interests remain in the financial statements at cost and include the Trefi and Panorama coal projects in British Columbia where NI43-101 and JORC compliant resources have been announced for both deposits.

At 31st December 2009 the Group had no borrowings and £14.2 million of cash in the bank.

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PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

These earnings and balance sheet valuations represent a solid outcome during a year when the direction of the world's economy has continued to be uncertain. This progress is in no small part due to the Group's sensible management of its balance sheet and its conservative approach to mining project evaluation.

The Board is recommending that the final dividend for the year ended 31st December 2009 be increased by 6.9% to 4.65p per share.

Strategy and Progress

The Group's strategy remains focused on securing new royalties by acquisition and through investment in its mining interests in order to generate strong cashflows and continue to pay dividends to its shareholders. The Group remains committed to a progressive dividend policy and to further expanding its other mining interests and royalty flows in pursuit of this objective.

Royalties

The Group has continued to expand its royalty interests with four new acquisitions during the year. The acquisition of these new royalty interests further demonstrates the Group's progress in delivering its strategy to broaden and diversify its portfolio of royalties.

- Uranium (Australia): in March 2009 the Group acquired for A$6 million a 1% net smelter royalty (NSR) on the Beverley Four Mile uranium project in South Australia. This project has received environmental approval from the Federal Government and is expected to go into production towards the end of 2010.

- Platinum (Canada): in May 2009 the Group purchased options to acquire a 1% royalty on each of Northern Shield Resources' Highbank Lake and Eastbank properties in Western Ontario, Canada. Northern Shield has a joint venture agreement with Impala Platinum Holdings of South Africa for Impala to fund and explore for platinum group metals on the Highbank Lake property.

- Gold (Canada): in July 2009 the Group purchased for C$8 million a 2.5% NSR on Northern Star Mining Corporation's Midway and McKenzie Break projects in Quebec, Canada. Northern Star poured its first gold at the Midway gold project in February 2010.

- Uranium (Europe): in December 2009 the Group acquired for A$4 million a 1% NSR on all future uranium production from the Spanish and Portuguese properties owned by Berkeley Resources. Uranium production at the Salamanca project is expected to commence in 2013.

On 23rd September 2009 Orvana Minerals Corporation completed its takeover of Kinbauri Gold Corporation which owns the El Valle gold project in northern Spain, where the Group retains a 2.5% NSR. Orvana recently announced that it is on budget and on schedule to commence production at El Valle in January 2011.

On 13th May 2009 the Group made an unconditional on–market cash bid of A$0.30 per share for all the outstanding issued share capital of Royalco Resources Limited ("Royalco"), an Australian mining company which owns a number of royalty interests in Australasia. The offer price was increased to A$0.34 on 3rd July 2009 and the bid closed on 10th July 2009, resulting in the Group increasing its shareholding from just under 20% to over 31%. On 25th September 2009 Chris Orchard, the Group's Chief Investment Officer and an executive director, was appointed to the Royalco Board to assist Royalco's management in developing and expanding its royalty interests. The Group's interest in Royalco is now accounted for as an Investment in Associate and is excluded from quoted investments.

Assets

During the year the Group's cash, receivables and strategic investments increased in value by £58.2m to £132.7 million (2008: £74.5 million). Together with the Group's coal and other royalties worth £177.2 million and fixed assets and capitalised exploration costs of £2.5 million the Group's total assets at 31st December 2009 increased by 77% to £312 million (£176 million at 31st December 2008). Furthermore, this did not include any increase in value over cost that may be attributable to the Group's expanding private coal interests in Canada.

The Group remains debt free and its liquid resources are held in a spread of currencies and banks. The Group's mining interests and royalty revenues are mainly denominated in Australian, Canadian and US dollars.

Private Coal Projects

On 10th September 2009 the Group announced an initial NI43-101 and JORC compliant Measured and Indicated Resource estimate of 39.35 million tonnes and an Inferred Resource of 51.6 million tonnes at its Trefi Coal Project in Northeast British Columbia, Canada. A Scoping Study on this project is in the process of being finalised.

On 16th February 2010 the Group released an initial resource statement on the Panorama Coal Project in the Groundhog Coalfield in Northwest British Columbia. This showed a NI43-101 and JORC compliant Indicated Resource of 13.7 million tonnes and an Inferred Resource of 24.1 million tonnes of anthracite and semi-anthracite coal.

Quoted Equity Interests

The Group's quoted equity interests disclosed on the LSE, ASX and TSX, where initial equity stake disclosure levels are 3%, 5% and 10% respectively, amount to £77 million in eighteen different holdings. The balance of quoted holdings of £23 million is made up of a further twenty incubator investments. The split of the Group's strategic interests by commodity can be seen on the Group's website at www.anglopacificgroup.com where links to all the equity disclosures can be accessed.

Dividends

On 3rd July 2009 a final dividend of 4.35p per share for the year ended 31st December 2008 was paid. Shareholders representing 21.0% of the issued share capital elected to take scrip instead of cash. The interim dividend of 3.70p per share for the year ending 31st December 2009 was paid to shareholders on 13th January 2010. Shareholders representing 25.8% of the issued share capital elected to take scrip instead of cash.

Subject to approval at the AGM to be held in London on 21st April 2010, the 2009 final dividend of 4.65p per share will be paid to shareholders on 2nd July 2010. This brings the total dividends for the year to 8.35p (2008: 7.80p). Depending on the share price at the time, the Board will consider whether shareholders will again be given the opportunity to elect to receive a scrip dividend instead of cash.

Board Developments

Having originally joined Anglo Pacific as Chief Investment Officer and Chief Operating Officer respectively, Mr Chris Orchard and Mr John Theobald were appointed to the Board on 22nd June 2009.

Their skills will greatly assist in the evaluation of new royalty propositions and the management of the Group's strategic interests.

Overseas Listings

The application for listing of the Group's shares on the Toronto Stock Exchange is progressing. The listing is anticipated during the second quarter of 2010. As a substantial number of the Group's private and quoted mining interests are in Canada, it is the Group's medium term strategy to broaden the shareholder base to include both Canadian and American investors.

Furthermore, the Group is seeking to de-list from the Australian Stock Exchange due to a lack of liquidity, negligible volumes and less than two percent of the Group's share capital being held by the Australian Share Register.

Outlook

New contract prices for Kestrel and Crinum coking coal will become effective in April 2010. These are expected to be higher than the previous year as spot coking coal prices have recently increased towards US$200 per ton. Output at the Kestrel mine remains buoyant whilst some production still continues from the private ground at Crinum.

Despite the recovery in metal prices and equity markets, the raising of mining finance from conventional lenders or equity issues still remains challenging for junior mining companies. In this environment the Group continues to receive a steady flow of enquiries about potential royalty opportunities.

With its cash resources, strong royalty revenues and pro-active management, Anglo Pacific Group will continue to make the acquisition of new royalties its overriding strategic focus.

In conclusion I would like to thank my Board colleagues and staff for their considerable efforts in sustaining the continuing growth of our Group and our shareholders for their ongoing support.

P.M. Boycott
Chairman

24th February 2010

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CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 £'000	2008 £'000
Royalty income	20,334	22,072
Other operating income	13	50
Finance income	796	957
	21,143	23,079
Profit on sale of mining and exploration interests	6,367	14,016
Total income	27,510	37,095
Share of profit of associates	515	-
Net operating expenses	(2,142)	(1,840)
Profit before tax	25,883	35,255
Tax	(5,252)	(5,994)
Profit attributable to equity holders	20,631	29,261
Total and continuing earnings per share		
Basic earnings per share	19.20p	27.25p
Diluted earnings per share	19.20p	27.25p

Income and profit before tax are derived from the Group's continuing operations.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 £'000	2008 £'000
Profit for the year	20,631	29,261
Other comprehensive income:		
Net gain on revaluation to coal royalties	42,916	25,943
Net gain/(loss) on revaluation of available for sale investments	63,737	(40,881)
Net exchange gain on translation of foreign operations	15,585	7,175
Share of other comprehensive income of associates	(65)	-
Deferred tax	(21,770)	(6,295)
Net income recognised directly in equity	121,034	15,203
Transferred to income statement disposal of available for sale investments	322	(18,658)
Total transferred from equity	322	(18,658)
Total comprehensive income/(expense) for the year	121,356	(3,455)

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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009

	2009 £'000	2008 £'000
Non-current assets		
Property plant and equipment	1,742	829
Coal royalties	149,896	93,347
Royalty instruments	21,979	7,783
Intangibles	6,095	-
Mining and exploration interests	109,695	45,755
Investments in associates	3,771	-
	293,178	147,714
Current assets		
Trade and other receivables	5,082	11,575
Cash at bank	14,195	17,136
	19,277	28,711
Total assets	312,455	176,425
Non-current liabilities		
Deferred tax	47,883	28,857
	47,883	28,857
Current liabilities		
Taxation	4,146	877
Trade and other payables	390	849
	4,536	1,726
Total liabilities	52,419	30,583
Capital and reserves attributable to shareholders		
Share capital	2,149	2,123
Share premium	20,718	18,604
Coal royalty revaluation reserve	88,582	58,430
Investment revaluation reserve	36,850	(22,149)
Share based payment reserve	78	78
Foreign currency translation reserve	18,804	7,230
Special reserve	632	632
Retained Earnings	92,223	80,894
	260,036	145,842
Total equity and liabilities	312,455	176,425

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWO YEARS ENDED 31 DECEMBER 2009

	Share capital £'000	Share premium £'000	Coal royalty revaluation reserve £'000	Investment revaluation reserve £'000	Share based payment reserve £'000	Foreign currency translation reserve £'000	Special reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1st January 2008	**2,113**	**17,742**	**40,899**	**33,104**	**48**	**2,224**	**632**	**59,420**	**156,182**
Profit for the year	-	-	-	-	-	-	-	29,261	29,261
Other comprehensive income:									
Coal Royalties:									
Royalties valuation movement taken to equity	-	-	25,943	-	-	6,530	-	-	32,473
Deferred tax on valuation	-	-	(8,412)	-	-	(1,844)	-	-	(10,256)
Available-for-sale investments:									
Valuation movement taken to equity	-	-	-	(40,881)	-	(111)	-	-	(40,992)
Deferred tax on valuation	-	-	-	4,286	-	(325)	-	-	3,961
Transferred to income statement on disposal	-	-	-	(18,658)	-	-	-	-	(18,658)
Reclassification as investment in associate	-	-	-	-	-	-	-	-	-
Share of comprehensive income of associates	-	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	-	756	-	-	756
Other comprehensive income	-	-	17,531	(55,253)	-	5,006	-	-	(32,716)
Total comprehensive income	-	-	17,531	(55,253)	-	5,006	-	29,261	(3,455)
Dividends paid	-	-	-	-	-	-	-	(7,787)	(7,787)
Scrip Dividend	10	862	-	-	-	-	-	-	872
Issue of share capital	-	-	-	-	-	-	-	-	-
Issue of share capital under share-based payment	-	-	-	-	-	-	-	-	-
Equity share options issued	-	-	-	-	30	-	-	-	30
Transactions with owners	10	862	-	-	30	-	-	(7,787)	(6,885)
Balance at 31st December 2008	**2,123**	**18,604**	**58,430**	**(22,149)**	**78**	**7,230**	**632**	**80,894**	**145,842**

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWO YEARS ENDED 31 DECEMBER 2009

	Share capital £'000	Share premium £'000	Coal royalty revaluation reserve £'000	Investment revaluation reserve £'000	Share based payment reserve £'000	Foreign currency translation reserve £'000	Special reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1st January 2009	**2,123**	**18,604**	**58,430**	**(22,149)**	**78**	**7,230**	**632**	**80,894**	**145,842**
Profit for the period	-	-	-	-	-	-	-	20,631	20,631
Other comprehensive income:									
Coal Royalties:									
Royalties valuation movement taken to equity	-	-	42,916	-	-	13,633	-	-	56,549
Deferred tax on valuation	-	-	(12,764)	-	-	(4,007)	-	-	(16,771)
Available-for-sale investments:									
Valuation movement taken to equity	-	-	-	63,791	-	8	-	-	63,799
Deferred tax on valuation	-	-	-	(5,060)	-	61	-	-	(4,999)
Transferred to income statement on disposal	-	-	-	322	-	-	-	-	322
Reclassification as investment in associate	-	-	-	(54)	-	-	-	-	(54)
Share of comprehensive income of associates	-	-	-		-	(65)	-		(65)
Foreign currency translation	-	-	-	-	-	1,944	-	-	1,944
Other comprehensive income	-	-	30,152	58,999	-	11,574	-	-	100,725
Total comprehensive income	-	-	30,152	58,999	-	11,574	-	20,631	121,356
Dividends paid	-	-	-	-	-	-	-	(9,302)	(9,302)
Scrip Dividend	24	1,966	-	-	-	-	-	-	1,990
Issue of share capital	-	-	-	-	-	-	-	-	-
Issue of share capital under share-based payment	2	148	-	-	-	-	-	-	150
Equity share options issued	-	-	-	-	-	-	-	-	-
Transactions with owners	26	2,114	-	-	-	-	-	(9,302)	(7,162)
Balance at 31st December 2009	**2,149**	**20,718**	**88,582**	**36,850**	**78**	**18,804**	**632**	**92,223**	**260,036**

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 £'000	2008 £'000
Cash flows from operating activities		
Profit before taxation	25,883	35,255
Adjustments for:		
Interest received	(796)	(957)
Unrealised foreign currency loss	1,562	756
Depreciation of property, plant and equipment	12	9
(Gain) on disposal of mining and exploration interests	(6,367)	(14,016)
(Gain) on revaluation of assets held as fair value through profit or loss	(130)	(126)
Loss on write-down of assets	410	-
Share of associates income	(465)	-
Share based payments	150	30
	20,259	20,951
Decrease / (Increase) in trade and other receivables excluding amounts due from subsidiary companies	6,493	(9,701)
(Decrease) / Increase in trade and other payables	(459)	588
Cash generated from operations	26,293	11,838
Income taxes paid	(4,727)	(4,342)
Net cash flows from operating activities	21,566	7,496
Cash flows from investing activities		
Proceeds on disposal of mining and exploration interests	25,341	31,117
Purchase of mining and exploration interests	(29,195)	(28,849)
Purchase of royalty interests	(12,245)	(5,574)
Acquisition of associates	(1,331)	-
Purchase of property, plant and equipment	(593)	-
Interest received	796	957
Net cash flows from investing activities	(17,227)	(2,349)
Cash flows from financing activities		
Dividends paid	(7,280)	(6,915)
Net cash flows from financing activities	(7,280)	(6,915)
Net decrease in cash and cash equivalents	**(2,941)**	**(1,768)**
Cash and cash equivalents at beginning of period	**17,136**	**18,904**
Cash and cash equivalents at end of period	**14,195**	**17,136**

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1. Earnings per ordinary share is calculated on the Group's profit after tax of £20,631,000 (2008: £29,261,000) and the weighted average number of shares in issue during the year of 107,439,463 (2008: 107,373,389).

   The diluted earnings per ordinary share is calculated on a profit after tax of £20,631,000 (2008: £29,261,000) and 107,459,305 shares (2008: 107,388,826). The dilutive effect is due to options outstanding under the Employee Share Option Scheme at the year end.

2. The above figures do not constitute full accounts within the meaning of Section 435 of the Companies Act 2006. The figures for the year ended 31st December 2008 constitute abridged accounts extracted from the published accounts for the year which have been filed with the Registrar of Companies and on which the auditors' report was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. The audit opinion on the accounts for the year ended 31st December 2009 has not yet been signed.