Anglo Pacific Group PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30th JUNE 2009

CHAIRMAN'S STATEMENT

Anglo Pacific Group PLC, the natural resources royalties company, today announces an increased interim dividend with its results for the six months ended 30th June 2009. In the half year under review the Group received increased coking coal royalties compared to the corresponding period of last year and made considerable progress in developing its other royalty interests. Following the worst collapse in the equity markets for many years the value of the Group's quoted interests has more than doubled since 31st December 2008.

Financial Highlights

- Total assets increased to a record £231 million (31st December 2008: £176 million)
- Australian coal royalty independent valuation of £113 million (31st December 2008: £93.3 million)
- Coal royalty income for the half year increased to £11.7 million (2008: £3.7 million)
- Interim dividend increased by 7.25% to 3.70p per share (2008: 3.45p)
- Realised profits from non-core mining interests for the half year of £2.1 million (2008: £13.5 million)
- Earnings per share of 8.28p (2008: 14.14p)
- Profit before tax of £12,258,000 (2008: £16,445,000)
- Profit after tax of £8,793,000 (2008: £15,011,000)
- Cash and royalty receivables of £20.5 million (2008: £26.3 million)

Operational Highlights

- Increased coking coal royalties
- New gold, platinum and uranium royalty rights acquired
- Substantial progress at Trefi coal project in British Columbia
- Increased exposure to coal energy and uranium projects
- Significant recovery in value of strategic quoted interests since year end
- Strong cash reserves and no debt

Review and Results for six months ended 30th June 2009

Compared to the turbulent closing months of 2008, the first half of 2009 has seen an improving economic outlook and tighter commodity markets. Nevertheless, metal prices and stock markets still remain substantially lower than during the comparable first six months of 2008. This has been reflected in these results.

More recently, the rising price of copper and firmer than expected coal prices have produced a steady recovery in the general mining sector. The junior quoted mining markets have also shown signs of recovery with indications of investment returning to the sector. This has produced a substantial improvement in the value of the Group's total assets since 31st December 2008, although not yet fully back to the levels of June 2008.

Raising equity funds for smaller mining developments has nevertheless remained challenging. With firmer energy prices and a buoyant gold price there has been a more compelling argument for raising mining finance through granting royalties rather than issuing cheap equity. In this environment the Group has benefitted by acquiring three new royalty projects so far this year.

Anglo Pacific Group PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30th JUNE 2009

CHAIRMAN'S STATEMENT

The Group's coal royalty revenues were £11.7 million (A$24.6 million) for the first half compared to £3.7 million in the same period last year which was affected by supply disruptions and logistical constraints at Queensland ports early in 2008. More recently, prices of both thermal and metallurgical coal from Australia have benefitted from increased demand from China and India. The new contracted coking coal prices for both Kestrel and Crinum were agreed in April 2009 at circa US$127 per ton. The Group's coal royalty interests were independently valued at 30th June 2009 at £113 million compared to £93.3 million at 31st December 2008 and £96.8 million at 30th June 2008.

The Group realised capital gains of £2.1 million during the period from the sale of non-core mining interests. The lower gains compared with the corresponding half of 2008 largely reflected the fall in mining equity markets. Including royalty revenues, the Group achieved earnings of 8.28p per share for the half year.

The value of the Group's private mining interests and quoted stakes in mining projects recovered to £82.0 million at 30th June 2009 compared to £45.8 million at 31st December 2008 and £101.5 million a year ago.

At 30th June 2009 the Group had no borrowings and nearly £14.4 million of cash in the bank.

These earnings and balance sheet valuations represent a satisfactory result during what has been a period of great uncertainty in world markets. 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 has decided to increase the interim dividend by 7.25% to 3.70p 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.

In the period under review the Group's cash, receivables and strategic investments increased in value to £103 million. Together with the recent valuations of the Group's coal and other royalties at £127 million, the Group's total assets at 30th June 2009 were in excess of £230 million compared to £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.

The Group's private and other royalty interests increased to £26.6 million at 30th June 2009 from £19.3 million at 31st December 2008. During the period the Group drilled five holes on its licensed ground at Trefi in British Columbia and will make an announcement on this coal resource shortly. A scoping study will be undertaken in the autumn to progress the project towards the Group's objective of retaining a carried interest and a royalty entitlement. The Groundhog and Trefi coalfields in British Columbia remain on the balance sheet at cost.

Anglo Pacific Group PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30th JUNE 2009

CHAIRMAN'S STATEMENT

Since the beginning of the year, the Group has continued to expand its royalty interests through three new acquisitions:-

- 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 recently received environmental approval from the Federal Government and is expected to go into production in the first half of 2010.
- In May 2009 the Group purchased options to acquire a 1% royalty on each of Northern Shield Resources's 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.
- In July 2009 the Group agreed, subject to contract and due diligence, to purchase for C$8 million a 2.5% NSR on Northern Star Mining Corporation's Midway and McKenzie Break projects in Quebec, Canada. Production is expected to commence at the Midway gold project in the next few months.

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.

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 £61 million in twenty four different holdings. The balance of quoted holdings of £9 million is made up of a further eighteen incubator investments. The split of the Group's strategic interests by commodity is now on the Group's website at www.anglopacificgroup.com where links to all the equity disclosures can be accessed.

During the period the Group made a cash bid for Royalco Resources Ltd, an Australian mining company that owns a number of royalty interests in Australasia. The bid closed on 10th July 2009 resulting in the Group increasing its shareholding from just under 20% to over 31%. The Group has been invited to consider the appointment of one of its directors to the Royalco board and now intends to assist Royalco's management in expanding its royalty interests in Australia.

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 announced today of 3.70p per share for the year ending 31st December 2009 will be paid on 13th January 2010. A scrip dividend alternative will again be available to shareholders subject to market conditions.

On 22nd June 2009 Mr Chris Orchard and Mr John Theobald were appointed to the Board. Both new executive directors bring considerable mining investment and engineering expertise to the Group. Their skills will greatly assist in the evaluation of new royalty propositions and the management of the Group's strategic interests.

Outlook

Whilst contracted coking coal prices for Kestrel and Crinum will be lower for the year to April 2010 compared to the previous period, spot coking coal prices have recently increased to over US$150 per ton. Moreover, output at the Kestrel mine is expected to remain similar to the first half due to productivity gains.

The Group continues to receive a steady flow of enquiries that could lead to future royalty deals. Through its active, merchant banking approach to mining projects, the Group continues to create opportunities for better returns at reduced risk on both new royalty propositions and public and private equity raisings.

P. M. Boycott
Chairman
26th August 2009

DISCLOSURE UNDER DISCLOSURE AND TRANSPARENCY RULES

In accordance with Disclosure and Transparency Rules (DTRs), Periodic Financial Reporting DTR 4.2.7R, the Group confirms that the principal risks and uncertainties that could affect the Group's performance have not changed. These are: a prolonged, world-wide economic recession; sustained low commodity prices; a fall in precious metal prices; further deterioration in the banking system; and currency volatility. For more information regarding these risks and uncertainties please refer to page 10 of the 2008 Annual Report.

No related party transactions occurred in the first six months of the year that would require disclosure in accordance with DTR 4.2.8R.

We confirm to the best of our knowledge:

i The condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' and give a true and fair view of assets and liabilities, financial position and profit and loss;

ii the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

iii the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties transactions and changes therein).

By order of the Board

M. J. Tack
Finance Director
26th August 2009

Anglo Pacific Group PLC

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30th JUNE 2009

	Six months ended 30th June 2009 £'000	Six months ended 30th June 2008 £'000	Year ended 31st December 2008 £'000
Royalty income	11,713	3,726	22,072
Other operating income	2	13	50
Finance income	313	411	957
	12,028	4,150	23,079
Profit on sale of mining and exploration interests	2,113	13,532	14,016
Total income	14,141	17,682	37,095
Net operating expenses	(1,883)	(1,237)	(1,840)
Profit before tax	12,258	16,445	35,255
Tax	(3,465)	(1,434)	(5,994)
Profit attributable to equity holders	8,793	15,011	29,261
Basic earnings per share	8.28p	14.14p	27.56p
Fully diluted earnings per share	8.28p	14.13p	27.56p

Anglo Pacific Group PLC

CONSOLIDATED BALANCE SHEET
AS AT 30th JUNE 2009

	30th June 2009		30th June 2008		31st December 2008	
	£'000	£'000	£'000	£'000	£'000	£'000
Non-current assets						
Property plant and equipment	827		842		829	
Coal royalties	113,023		96,828		93,347	
Royalty instruments (note 2b)	11,319		-		7,783	
Intangibles - royalty interests	3,030		-		-	
Mining and exploration interests	81,963		101,512		45,755	
		210,162		199,182		147,714
Current assets						
Trade and other receivables	6,214		3,804		11,575	
Cash at bank	14,364		23,417		17,136	
		20,578		27,221		28,711
Total assets		230,740		226,403		176,425
Current liabilities						
Taxation	1,970		3,014		877	
Trade and other payables	309		213		849	
Dividends payable	1,947		4,618		-	
		4,226		7,845		1,726
Non-current liabilities						
Deferred tax	35,925		30,932		28,857	
		35,925		30,932		28,857
Total liabilities		40,151		38,777		30,583
Net assets		190,589		187,626		145,842
Equity						
Share capital		2,123		2,123		2,123
Share premium		18,604		18,604		18,604
Coal royalty revaluation reserve		71,549		61,901		58,430
Investment revaluation reserve		7,642		30,081		(22,149)
Share based payment reserve		78		78		78
Foreign currency translation reserve		8,557		7,563		7,230
Special reserve		632		632		632
Retained earnings		81,404		66,644		80,894
Total equity		190,589		187,626		145,842

Anglo Pacific Group PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30th JUNE 2009

	Six months ended 30th June 2009 £'000	Six months ended 30th June 2008 £'000	Year ended 31st December 2008 £'000
Profit for the financial period	8,793	15,011	29,261
Net gain on revaluation to coal royalties	18,567	30,033	25,943
Net gain/(loss) on revaluation of available for sale investments	31,833	7,423	(40,881)
Net exchange gain on translation of foreign operations	1,636	7,003	7,175
Deferred tax	(8,879)	(11,252)	(6,295)
Net income recognised directly in equity	51,950	48,218	15,203
Transferred to/(from) income statement disposal of available for sale investments	1,080	(9,889)	(18,658)
Total transferred from equity	1,080	(9,889)	(18,658)
Total comprehensive income for the financial period	53,030	38,329	(3,455)

Anglo Pacific Group PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30th JUNE 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 period	-	-	-	-	-	-	-	15,011	15,011
Other comprehensive income:									
Coal royalties:									
Royalties valuation movement taken to equity	-	-	30,033	-	-	5,921	-	-	35,954
Deferred tax on valuation	-	-	(9,031)	-	-	(1,671)	-	-	(10,702)
Available-for-sale investments:									
Valuation movement taken to equity	-	-	-	7,423	-	1,008	-	-	8,431
Deferred tax on valuation	-	-	-	(557)	-	7	-	-	(550)
Transferred to income statement on disposal	-	-	-	(9,889)	-	-	-	-	(9,889)
Foreign currency translation	-	-	-	-	-	74	-	-	74
Total comprehensive income	-	-	21,002	(3,023)	-	5,339	-	15,011	38,329
Dividends paid	-	-	-	-	-	-	-	(7,787)	(7,787)
Scrip dividend	10	862	-	-	-	-	-	-	872
Equity share options issued	-	-	-	-	30	-	-	-	30
Transactions with owners	10	862	-	-	30	-	-	(7,787)	(6,885)
Balance at 30th June 2008	**2,123**	**18,604**	**61,901**	**30,081**	**78**	**7,563**	**632**	**66,644**	**187,626**
Profit for the period	-	-	-	-	-	-	-	14,250	14,250
Other comprehensive income:									
Coal royalties:									
Royalties valuation movement taken to equity	-	-	(4,090)	-	-	609	-	-	(3,481)
Deferred tax on valuation	-	-	619	-	-	(173)	-	-	446
Available-for-sale investments:									-
Valuation movement taken to equity	-	-	-	(48,304)	-	(1,119)	-	-	(49,423)
Deferred tax on valuation	-	-	-	4,843	-	(332)	-	-	4,511
Transferred to income statement on disposal	-	-	-	(8,769)	-	-	-	-	(8,769)
Foreign currency translation	-	-	-	-	-	682	-	-	682
Total comprehensive income	-	-	(3,471)	(52,230)	-	(333)	-	14,250	(41,784)
Dividends paid	-	-	-	-	-	-	-	-	-
Scrip dividend	-	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-
Equity share options issued	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-
Balance at 31st December 2008	**2,123**	**18,604**	**58,430**	**(22,149)**	**78**	**7,230**	**632**	**80,894**	**145,842**

Anglo Pacific Group PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30th JUNE 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	-	-	-	-	-	-	-	8,793	8,793
Other comprehensive income:									
Coal royalties:									
Royalties valuation movement taken to equity	-	-	18,567	-	-	1,108	-	-	19,675
Deferred tax on valuation	-	-	(5,448)	-	-	(326)	-	-	(5,774)
Available-for-sale investments:									
Valuation movement taken to equity	-	-	-	31,833	-	22	-	-	31,855
Deferred tax on valuation	-	-	-	(3,122)	-	17	-	-	(3,105)
Transferred to income statement on disposal	-	-	-	1,080	-	-	-	-	1,080
Foreign currency translation	-	-	-	-	-	506	-	-	506
Total comprehensive income	-	-	13,119	29,791	-	1,327	-	8,793	53,030
Dividends paid	-	-	-	-	-	-	-	(8,283)	(8,283)
Scrip dividend	-	-	-	-	-	-	-	-	-
Equity share options issued	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	(8,283)	(8,283)
Balance at 30th June 2009	**2,123**	**18,604**	**71,549**	**7,642**	**78**	**8,557**	**632**	**81,404**	**190,589**

Anglo Pacific Group PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30th JUNE 2009

	Six months ended 30th June 2009 £'000	Six months ended 30th June 2008 £'000	Year ended 31st December 2008 £'000
Cashflows from operating activities			
Profit before taxation	12,258	16,445	35,255
Adjustments for:			
Interest received	(313)	(411)	(957)
Unrealised foreign currency loss	509	54	756
Depreciation of property, plant and equipment	2	7	9
(Gain) on disposal of mining and exploration interests	(2,113)	(13,532)	(14,016)
(Gain) on revaluation of assets held as fair value through profit or loss	(221)	-	(126)
Share based payments	-	30	30
	10,122	2,593	20,951
Decrease / (Increase) in trade and other receivables	5,361	(1,930)	(9,701)
(Decrease) / Increase in trade and other payables	(540)	(49)	588
Cash generated from operations	14,943	614	11,838
Income taxes paid	(4,182)	(622)	(4,342)
Net cash from / (used in) operating activities	10,761	(8)	7,496
Cash flows from investing activities			
Proceeds on disposal of mining and exploration interests	7,856	20,336	31,117
Purchase of mining and exploration interests	(15,367)	(13,930)	(34,423)
Interest received	313	411	957
Net cash (used in) / from investing activities	(7,198)	6,817	(2,349)
Cash flows from financing activities			
Dividends paid	(6,335)	(2,296)	(6,915)
Net cash used in financing activities	(6,335)	(2,296)	(6,915)
Net (decrease) / increase in cash and cash equivalents	**(2,772)**	**4,513**	**(1,768)**
Cash and cash equivalents at beginning of period	**17,136**	**18,904**	**18,904**
Cash and cash equivalents at end of period	**14,364**	**23,417**	**17,136**

1. Basis of preparation

These interim, condensed consolidated financial statements of Anglo Pacific Group PLC are for the six months ended 30 June 2009. They have been prepared in accordance with IAS 34 '*Interim Financial Reporting*'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2008.

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 31 December 2008 except for the adoption of IAS 1 '*Presentation of Financial Statements*' (Revised 2007) and IFRS 8 '*Operating Segments*'.

The adoption of IAS 1 (Revised 2007), requires 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present two statements: an income statement and a statement of comprehensive income. The interim financial statements have been prepared under the revised disclosure requirements.

IFRS 8 replaces IAS 14, 'Segment reporting'. It requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of IFRS 8 has not resulted in any changes to the segments that are disclosed in the interim financial statements, as the segments are consistent with the internal management reporting information that is regularly reviewed by the chief operating decision maker.

The interim financial statements do not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The financial statements have been reviewed by the Company's auditors. The comparative figures for the year ended 31 December 2008 were derived from the statutory accounts for that year which have been delivered to the Registrar of Companies. Those accounts received an unqualified audit report which did not contain statements under section 237(2) or (3) of the Companies Act 1985. The interim review report is set out on page 15.

2. Non-current assets

(a) Coal Royalty Investments

The Group's coal royalty investments comprise the Kestrel and Crinum coal royalties in Queensland, Australia. The Group commissioned a valuation of the coal royalties as at 30 June 2009, based on a net present value of the pre-tax cashflow discounted at a rate of 7%, which produced a valuation of A$230.3 million (£113 million). At present the net royalty income is taxed in Australia at a rate of 30%. Were the coal royalties to be realised at the revalued amount there are £2.3 million (A$4.7 million) of capital losses potentially available to offset against taxable gains. These losses have been included in the deferred tax computation. There is currently no value attributed in the valuation to the Crinum coal royalty rights as mining depletes the reserves on the Group's private ground.

2. Non-current assets (continued)

(b) Royalty Instruments

Royalty instruments represent the Group's interests in three mineral properties which through the issue of convertible debentures, the Group has acquired net smelter royalties. These are the Engenho property in Brazil, the El Valle property in Spain and the Indo Mines property in Indonesia. In the Group's latest annual financial statements for the year ended 31 December 2008, these interests were described as "Other royalties". No change has been made to the accounting treatment of these interests.

(c) Intangibles – Royalty Interests

Royalty interests represent the acquired net smelter royalty on the Four Mile Project in South Australia, which is a feasibility stage property. The royalty interest is recorded at cost.

Acquisition costs of royalty interests on feasibility stage mineral properties are not amortised. At such time as the associated mineral interests are placed into production, the cost basis is amortised over the expected life of mine. Amortisation rates are adjusted on a prospective basis for all changes to estimates of the life of mine.

(d) Mining and Exploration Interests

The investments in securities included above represent investments in listed and unlisted equity securities which are acquired as part of the Group strategy to acquire new royalties. Gains may be realised where it is deemed appropriate by the Investment Committee. The fair values of these securities are based on quoted market prices for listed securities and cost for unlisted securities based on the variability of cashflows being so significant that an alternative valuation technique would not provide a useful value. The fair values are reviewed for impairment at least annually. In the statement of changes in equity these interests are classified as "available– for– sale investments". During the period to 30th June 2009 a number of opportunities arose which allowed the Group to expand its mining interests, particularly in listed securities. For a full explanation of the Group's accounting policies in relation to the Mining and Exploration interests please see the 2008 Annual Report.

The market value of the quoted Mining and Exploration Interests at 30 June 2009 was £69,636,000 (2008: £92,776,000). The directors' valuation of the unquoted Mining and Exploration Interests was £12,327,000 (2008: £8,736,000).

3. Earnings per ordinary share

The earnings per ordinary share is calculated on the Company's profit after tax of £8,793,000 and 106,172,139 shares. Fully diluted earnings per shares is calculated on a profit after tax of £8,793,000 and 106,184,396 shares.

4. Segment information

	Six months ended 30th June 2009			
	Royalty £'000	Mining Interests £'000	Unallocated £'000	Total £'000
Revenue	11,713	-	2	11,715
Operating profit	11,713	-	(1,879)	9,834
Profit on sale of mining and exploration interests	-	2,113	-	2,113
Interest received	-	-	313	313
Depreciation	-	-	(2)	(2)
Tax	-	-	(3,465)	(3,465)
Segment Result	11,713	2,113	(5,033)	8,793
Segment Assets	127,372	81,963	21,405	230,740
Segment Liabilities	(34,745)	(1,180)	(4,226)	(40,151)
Net Segment Assets	92,627	80,783	17,179	190,589
Capital Expenditure	-	-	-	-
Intangible – royalty (Australia)	3,030	-	-	3,030

	Six months ended 30th June 2008			
	Royalty £'000	Mining Interests £'000	Unallocated £'000	Total £'000
Revenue	3,726	-	13	3,739
Operating profit	3,726	-	(1,217)	2,509
Profit on sale of mining and exploration interests	-	13,532	-	13,532
Interest received	-	-	411	411
Depreciation	-	-	(7)	(7)
Tax	-	-	(1,434)	(1,434)
Segment Result	3,726	13,532	(2,247)	15,011
Segment Assets	96,828	101,512	28,063	226,403
Segment Liabilities	(28,253)	(2,679)	(7,845)	(38,777)
Net Segment Assets	68,575	98,833	20,218	187,626
Capital Expenditure	-	-	6	6
Intangible – royalty (Australia)	-	-	-	-

4. Segment information (continued)

	Year ended 31st December 2008			
	Royalty £'000	**Mining Interests £'000**	**Unallocated £'000**	**Total £'000**
Revenue	22,072	-	50	22,122
Operating profit	22,072	-	(1,781)	20,291
Profit on sale of mining and exploration interests	-	14,016	-	14,016
Interest received	-	-	957	957
Depreciation	-	-	(9)	(9)
Tax	-	-	(5,994)	(5,994)
Segment Result	22,072	14,016	(6,827)	29,261
Segment Assets	101,130	45,755	29,540	176,425
Segment Liabilities	(30,781)	1,924	(1,726)	(30,583)
Net Segment Assets	70,349	47,679	27,814	145,842
Capital Expenditure	-	-	6	6
Intangible – royalty (Australia)	-	-	-	-

Revenue consists of Royalty income and other operating income. Royalty income is currently generated in Australia.

5. Events occurring after the period end

On 12 May 2009, the Group made a cash bid for Royalco Resources Ltd, an Australian mining company that owns a number of royalty interests in Australia. The bid closed on 10 July 2009, resulting in the Group increasing its shareholding form 20% to 31.1% for total consideration of £1,036,703.

The Group has been invited to consider the appointment of one of its directors to the Royalco Resources Ltd board and will assist Royalco's management in expanding its royalty interests in Australia.

In subsequent reporting periods, the Group's interest in Royalco Resources Ltd, will be recorded as an investment in associates.

6. Availability of financial statements

This statement will be sent to shareholders and will be available at the Company's registered office at 17 Hill Street, London, W1J 5NZ.

Anglo Pacific Group PLC

INDEPENDENT REVIEW REPORT TO ANGLO PACIFIC GROUP PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 which comprises the consolidated income statement , consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes 1 to 6. We have read the other information contained in the half yearly financial report which comprises only the Chairman's statement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in ISRE (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the company those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in Note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting,' as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
London
26th August 2009