

Patagonia Gold Plc 2011



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PATAGONIA GOLD PLC

COMPANY OVERVIEW

A precious metals exploration and production company operating in the southern Patagonian provinces of Argentina

To March 2011, delineated 1,143,759 oz of gold equivalent NI 43-101 compliant resource 76 % in the Measured and Indicated category

Deposit	INDICATED (76.7%)		INFERRED (24.3%)		TOTAL
	Gold (oz)	Silver(oz)	Gold(oz)	Silver(oz)	
Cap-Oeste	362,040	14,503,120	46,090	1,604,030	655,930
COSE	39,847	1,283,412	26,565	855,050	106,393
La Manchuria	40,317	1,848,211	72,335	2,335,236	146,366
Lomada	161,346	0	73,725	0	235,070
TOTAL	603,550	17,634,743	218,715	4,794,316	1,143,759

PATAGONIA GOLD PLC

RECENT ACHIEVEMENTS

- Cap Oeste resource and exploration drill meters has been increased significantly.
Resource update Q4
- Monte Leon: a new discovery
additional and extensive exploration potential.
- La Manchuria: maiden resource and
significant resource upside potential
- Regional success – Sarita, drill targets defined
- Lomada de Leiva development: transition to gold producer
- COSE resource and permit for decline development

AREA OF OPERATION

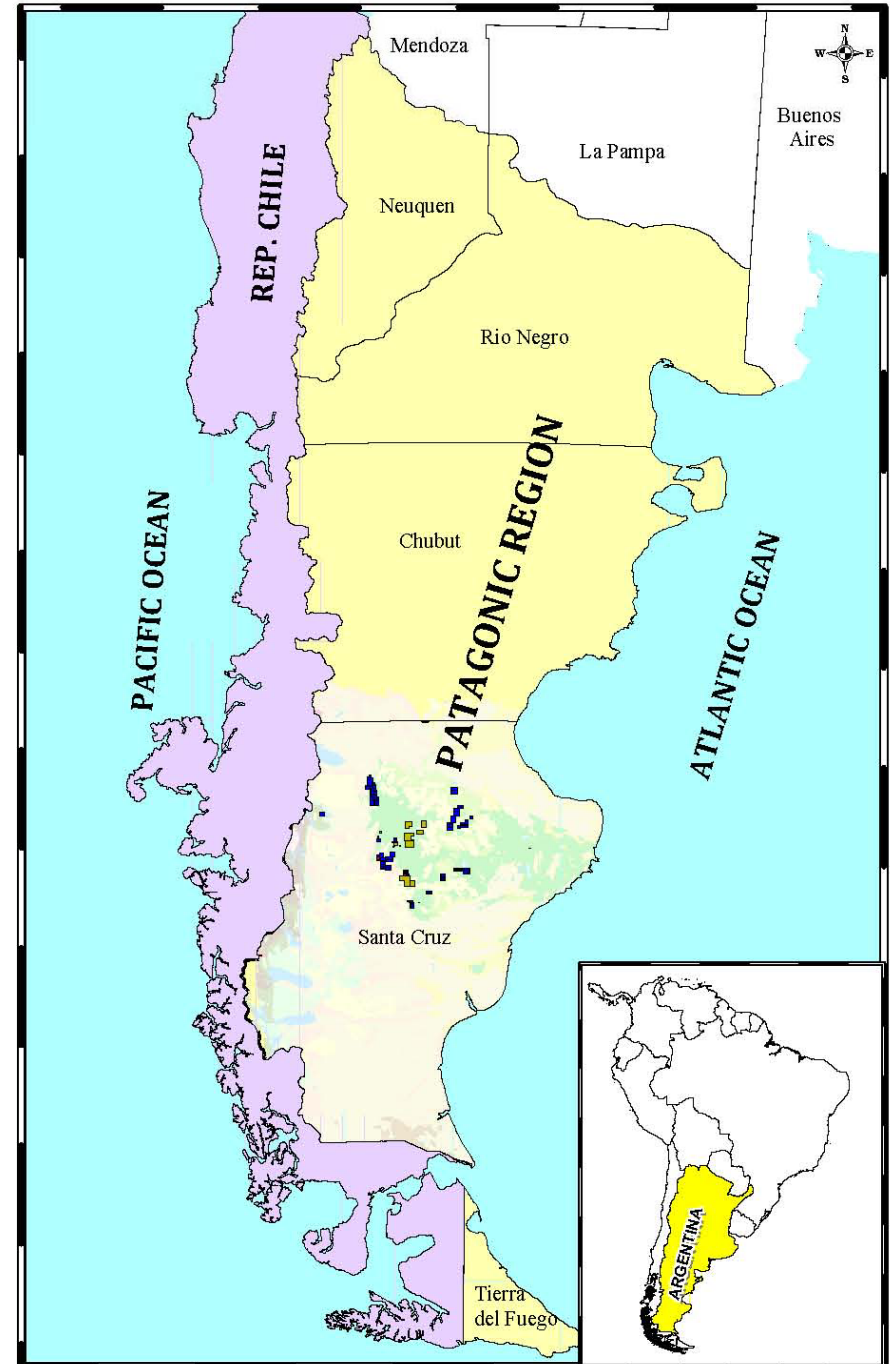
Patagonia Gold through its 100% subsidiary Patagonia Gold S.A. (PGSA) operates in four of the Argentine Provinces in Patagonia

Total area held under license 7,264 km²*
Number of properties ~200

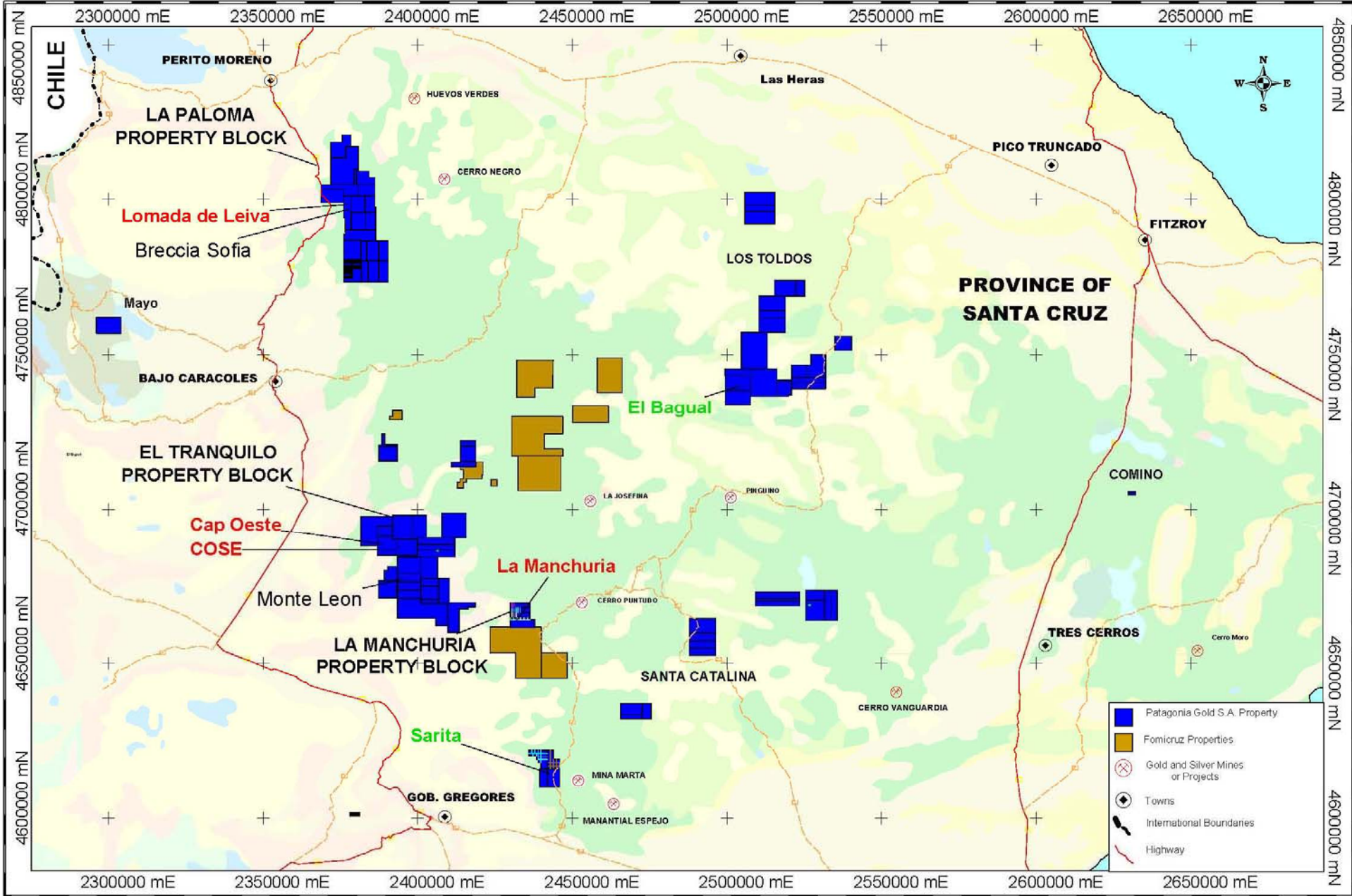
In 2009 PGSA formed a strategic partnership with Fomicruz SE, 90% PGSA 10% Fomicruz, into which PGSA contributed 100,000 ha of its most advanced properties and Fomicruz contributed 100,000 ha of exploration properties.

*As at 31st May 2011.

Note: The numbers and areas of properties shown above may vary from time to time as a result of acquisition, relinquishing and or conversion from exploration claims to mining claims



PGSA EXPLORATION in SANTA CRUZ

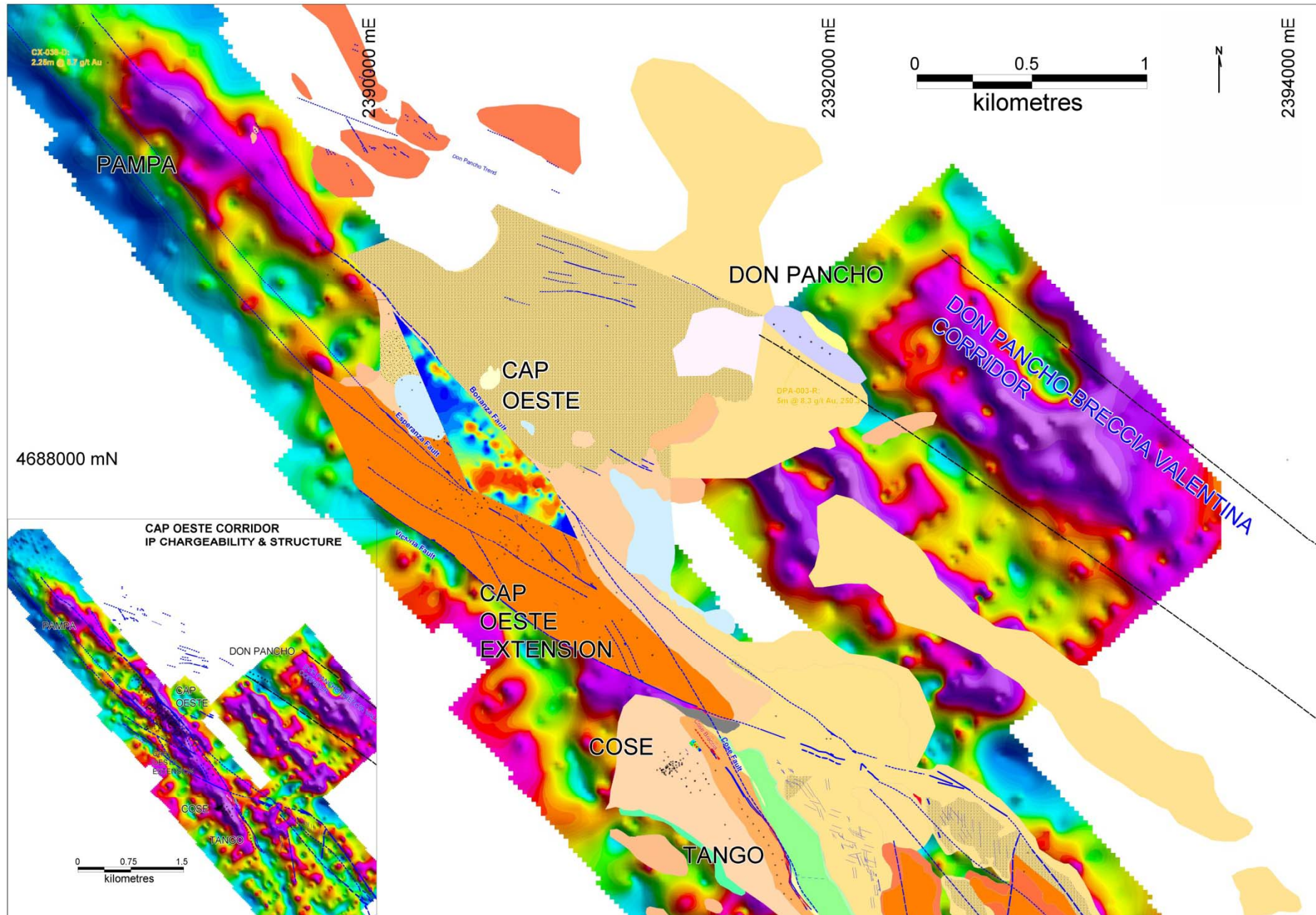


CAP OESTE PROJECT

**Patagonia Gold's Flagship Project,
targeted production 2014**



CAP OESTE PROJECT



CAP OESTE PROJECT

COMPLETED

- **NI 43-101 Resource estimate Oct 2009**

at 0.30 grams per tonne of gold cut off

Indicated	362,040 oz gold	14,503,120 oz silver
Inferred	46,090 oz gold	1,604,030 oz silver
Total gold equivalent (AuEq)		655,930 oz AuEq

Assumptions: Gold price US\$800/oz recovery 90%
Silver price US12.50/oz recovery 60%

- **Expansion and Infill drilling**

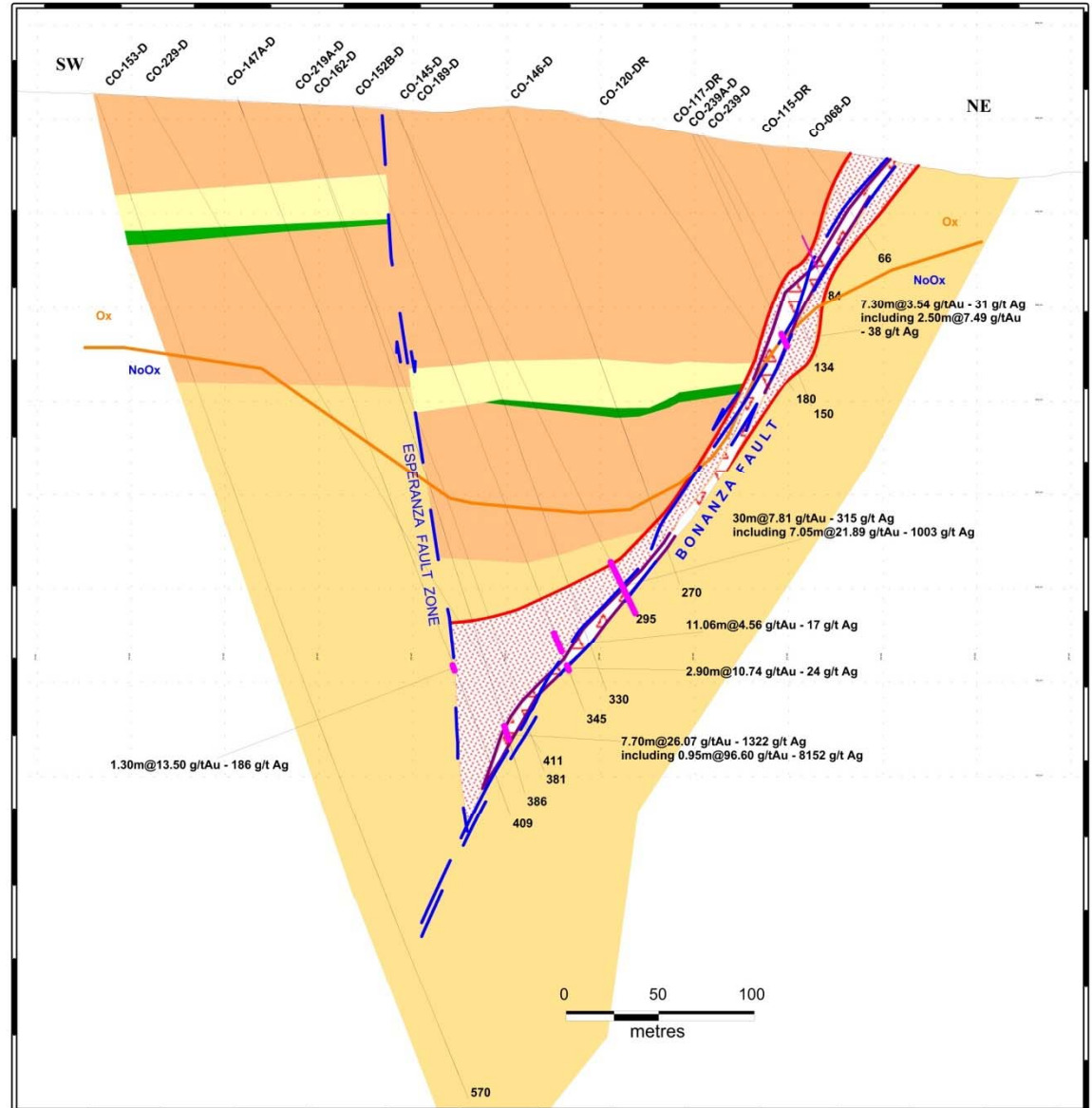
19,000 metres along ~600m of strike to increase the resource

CAP OESTE PROJECT

Drill hole section 10,125N

Significant results

Hole No.	From	Interval	Grade	Grade
	metres	metres	Au g/t	Ag g/t
CO-119-D	258.00	13.20	14.54	186
CO-123-D	257.90	16.10	5.86	260
CO-139-D	244.70	11.80	15.21	203
CO-144-D	316.00	33.00	5.77	182
CO-145-D	271.00	29.90	7.81	280
CO-162-D	353.30	7.70	26.07	1,322
CO-168-D	401.00	14.50	10.13	143
CO-170-D	261.40	5.87	12.72	265
CO-181-D	137.89	6.73	35.53	53
including	139.34	1.12	116.15	186
CO-213-D	190.00	13.30	8.58	508
including	200.70	2.60	53.74	700
CO-222-D	352.00	31.00	5.29	178
including	360.00	11.00	9.40	381



CAP OESTE PROJECT

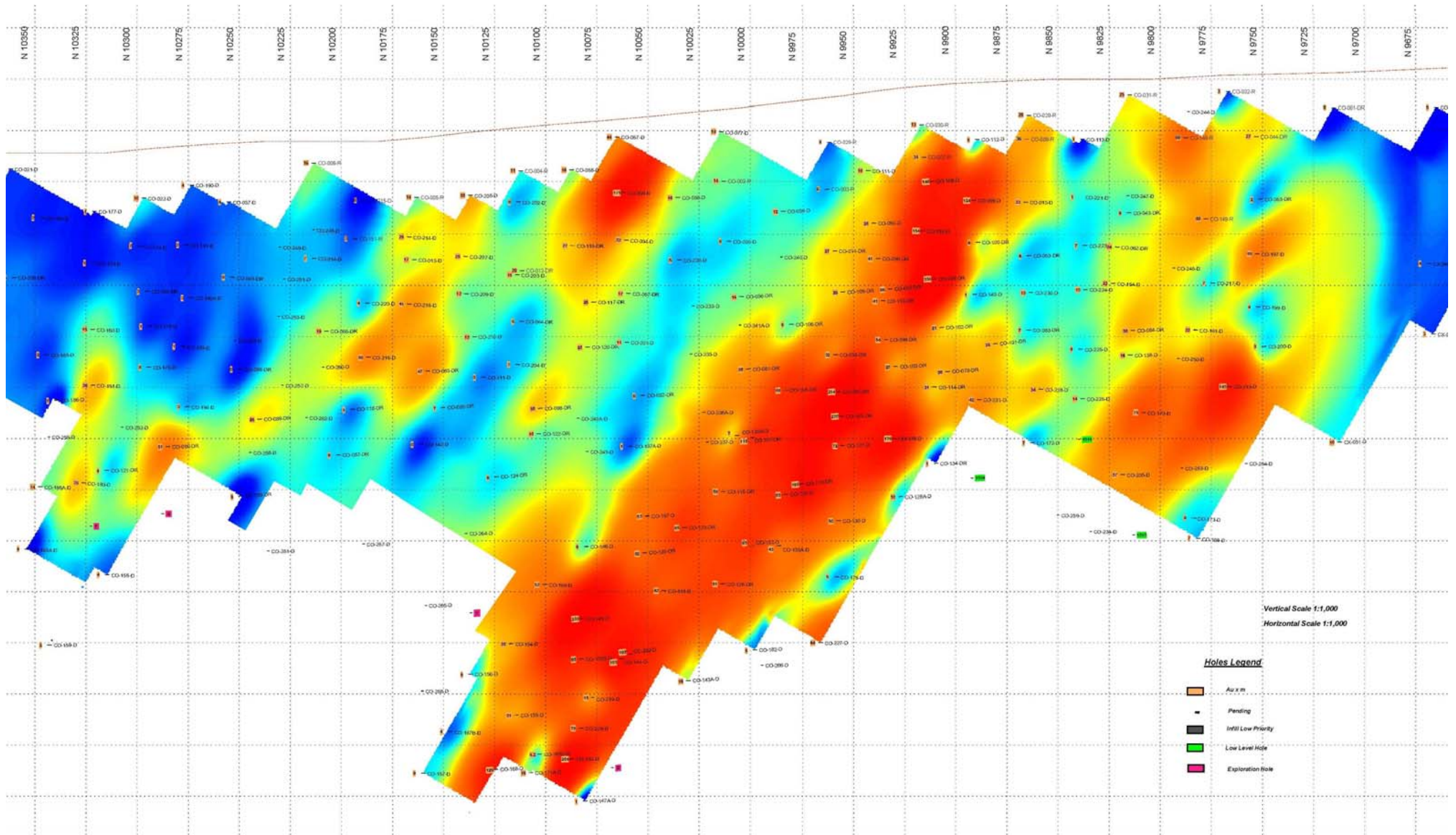
IN PROGRESS

- **Resource exploration and deeper Infill drilling**
The deposit remains open along strike and down plunge
- **Exploration drilling along Bonanza structure – Pampa to Tango 6km**
- **Metallurgical Study** for completion in Q4 2011.
To investigate various processing methods.

PLANNED

- **2011/12** Pre feasibility study
- **2012/13** Full feasibility study
- **2012/14** Permitting, construction and production

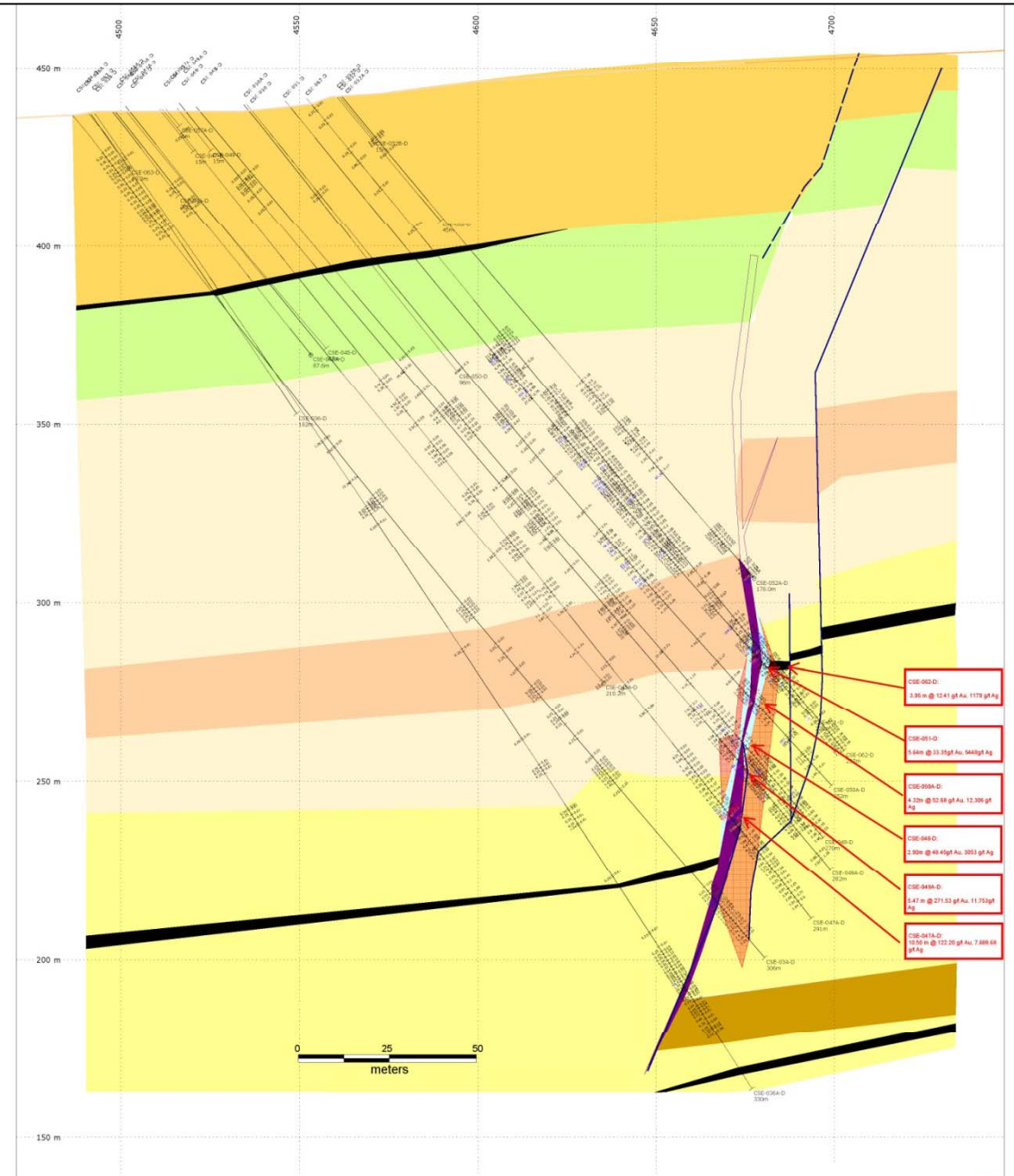
CAP OESTE PROJECT



CAP OESTE PROJECT



COSE - Cap Oeste Project - Exploration



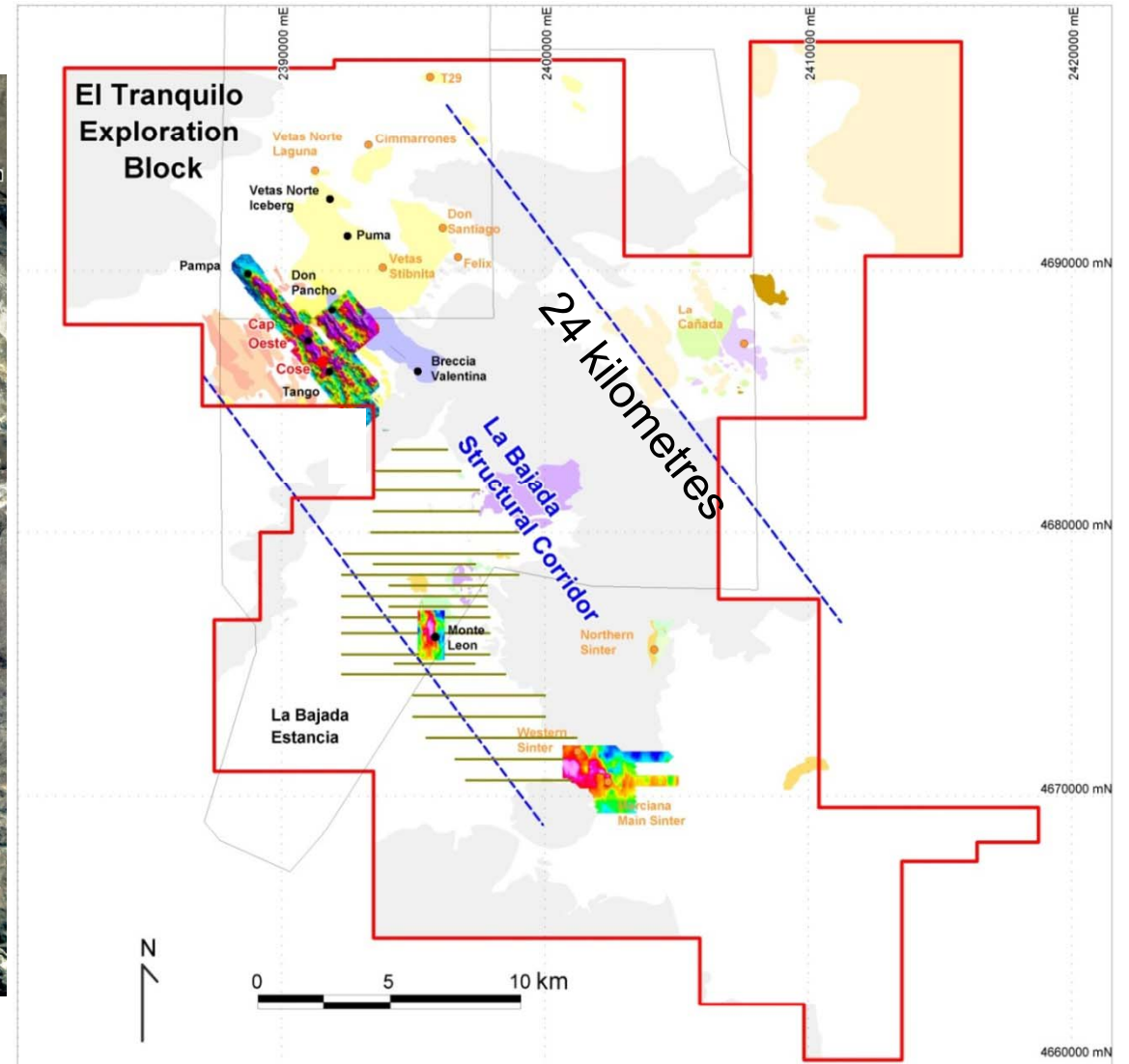
EL TRANQUILO PROPERTY

EXPLORATION



EL TRANQUILO PROPERTY

EL Bajada Corridor Exploration



MONTE LEON PROSPECT



MONTE LEON PROSPECT

COMPLETED

- Reconnaissance exploration and mapping.
- Geophysical dipole gradient array resistivity and IP survey for 18Kms.
- Trenching for 4,007 m on 16 trenches.
- 3,953 metres of HQ drilling in 15 holes

Trench No.	From	Interval	Grade	Grade
	metres	metres	Au g/t	Ag g/t
TR-016-MLN	34.00	5.00	1.80	3
and	98.50	48.00	1.01	2
TR-015-MLN	46.00	32.00	0.87	1
and	200.00	22.00	1.05	4
TR-013-MLN	320.00	9.50	0.74	1

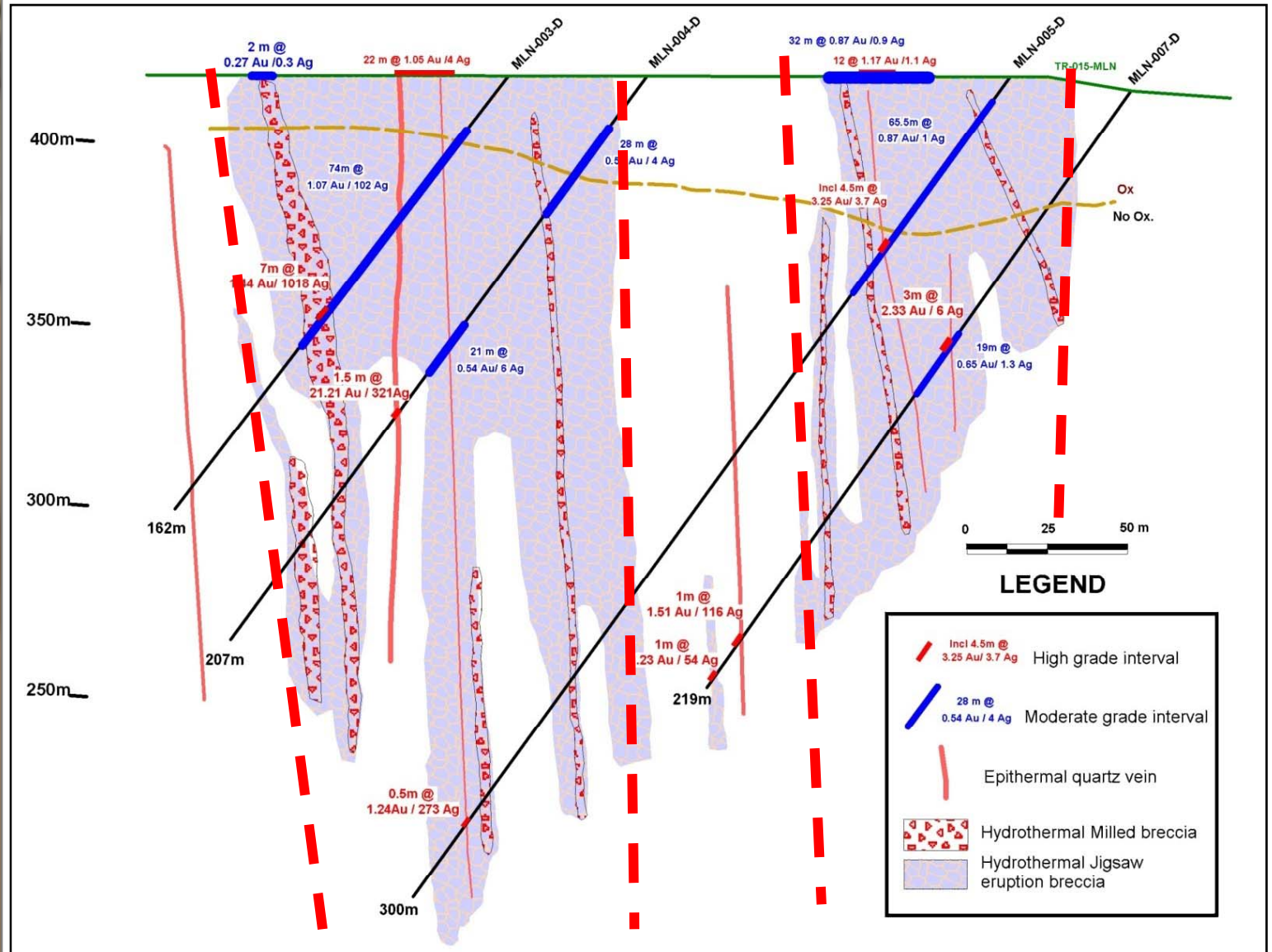
Hole No.	From	Interval	Grade	Grade
	metres	metres	Au g/t	Ag g/t
MLN-002-D	3.00	7.50	2.58	1.44
MLN-006-D	26.00	34.00	0.81	4.45
and	74.00	43.00	1.04	8.74
MLN-003-D	22.00	74.00	1.07	102
MLN-004-D	18.00	28.00	0.54	3.89
and	88.00	21.00	0.54	5.83
MLN-005-D	13.00	65.50	0.87	1.11
including	59.00	4.50	3.25	3.65
MLN-008-D	122.00	36.00	0.76	pending
including	124.70	6.30	1.16	pending
MLN-009-D	7.60	29.40	1.39	0.99
including	18.00	12.00	2.13	0.12

IN PROGRESS

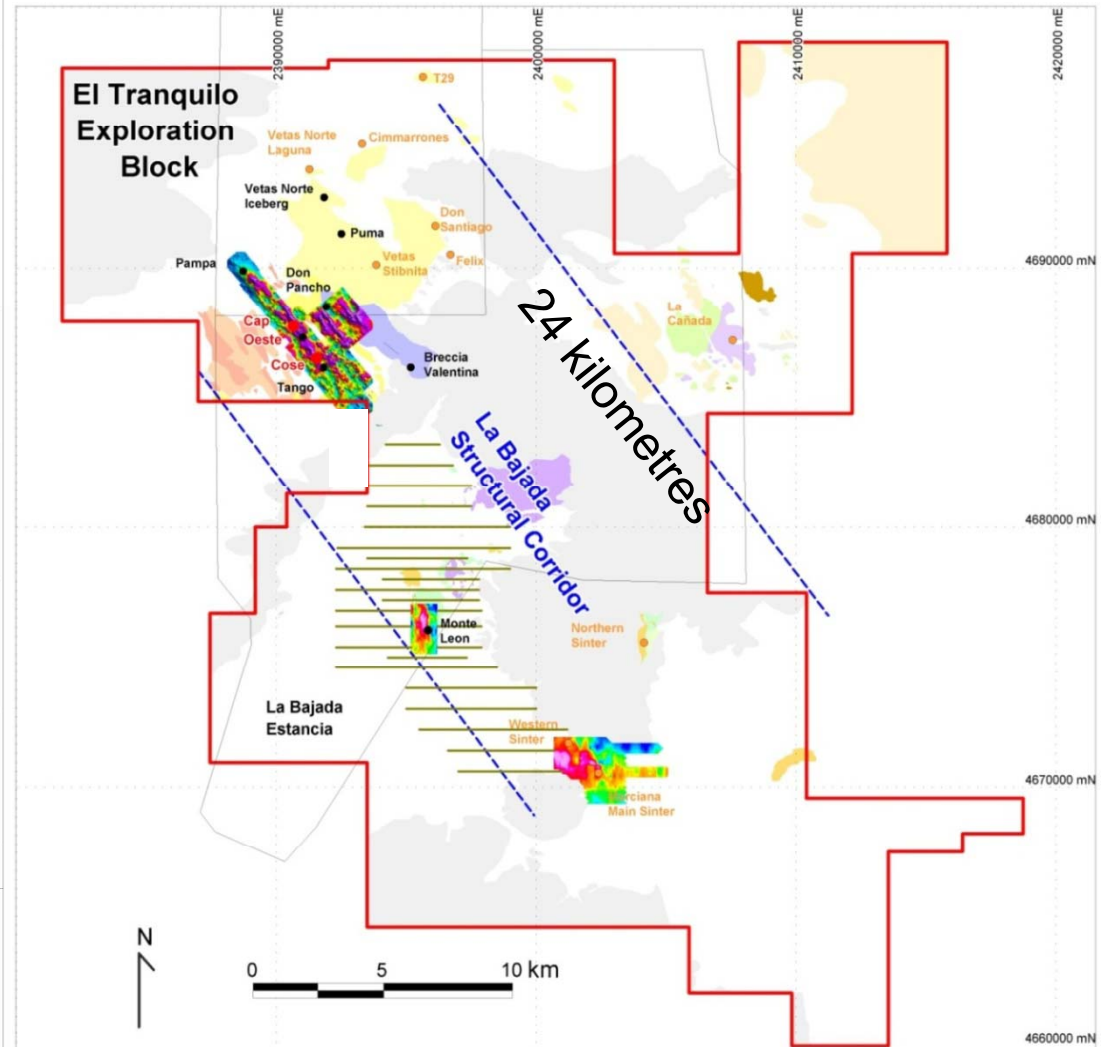
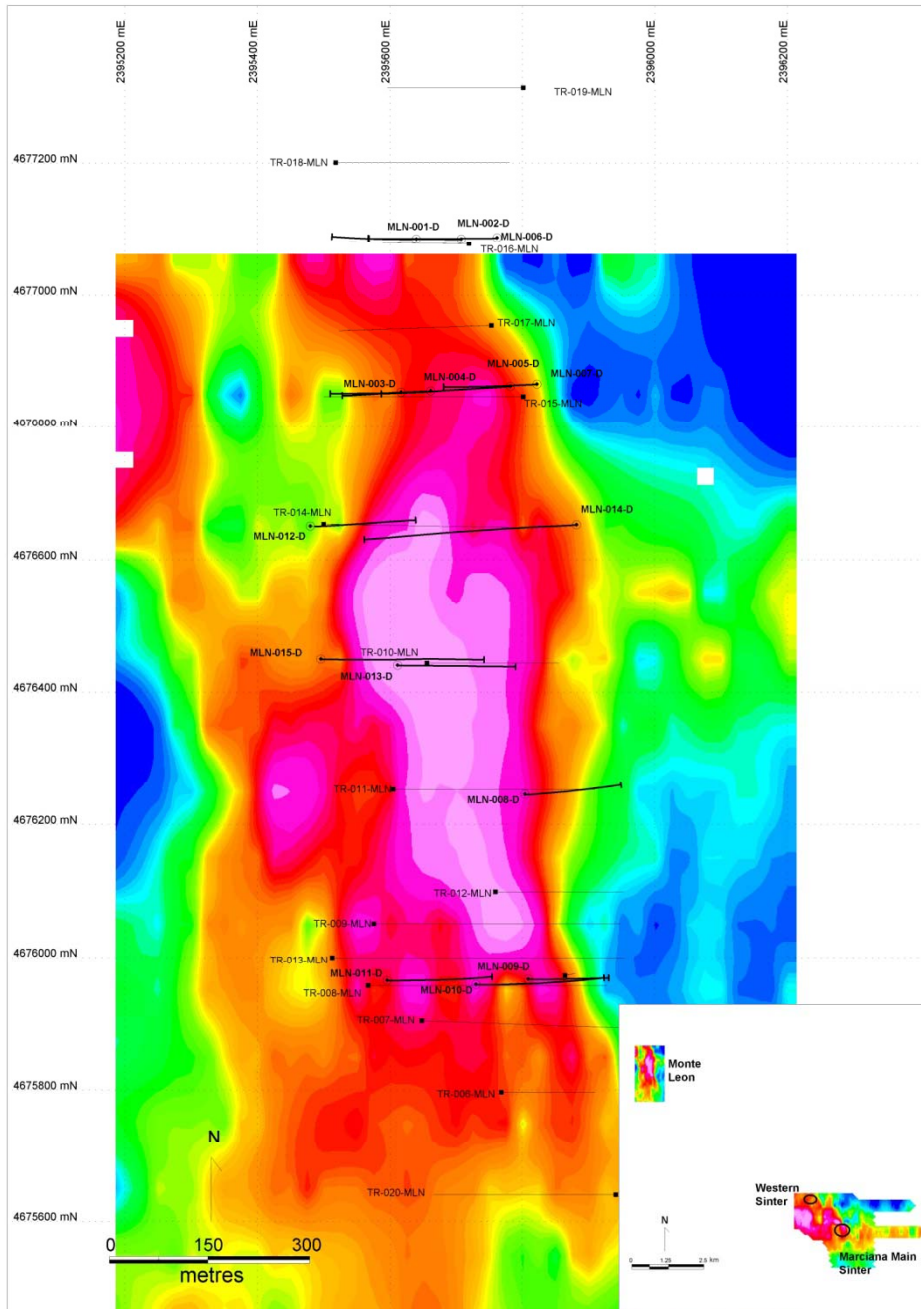
- A 95km IP survey from Marciana in the south to the Cap Oeste structure in the north
- Detailed interpretation of drill hole geology for follow drill programme planning

MONTE LEON PROSPECT

SECTION N76850



El Bajada - Monte Leon – Corridor Exploration



LA MANCHURIA

A gold and silver deposit 50 kilometres SE of and within carting distance of the Cap Oeste Deposit



LA MANCHURIA

COMPLETED

- **NI 43-101 Resource estimate Sept 2010** at 0.75g/t gold equivalent (AuEQ) cut off

Indicated	40,317oz gold	1,848,211oz silver	
Inferred	72,335oz gold	2,335,236oz silver	
Total gold equivalent			146,366 oz AuEQ

Assumptions: Gold price US\$925/oz recovery 95%
Silver price US\$14.50/oz recovery 60%

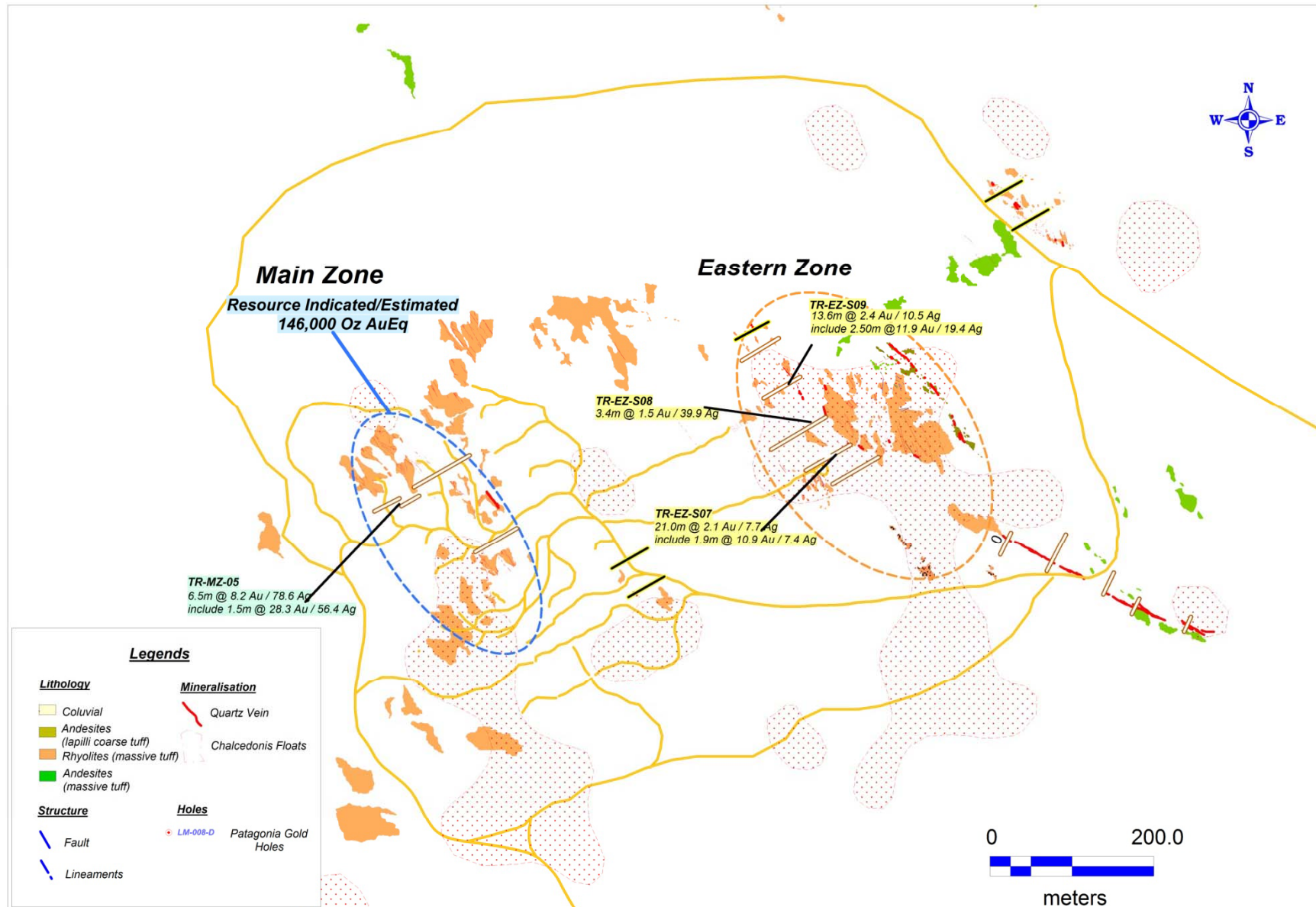
- **Uncapped Resource** at 0.75g/t AuEQ 239,609 oz AuEQ

PLANNED

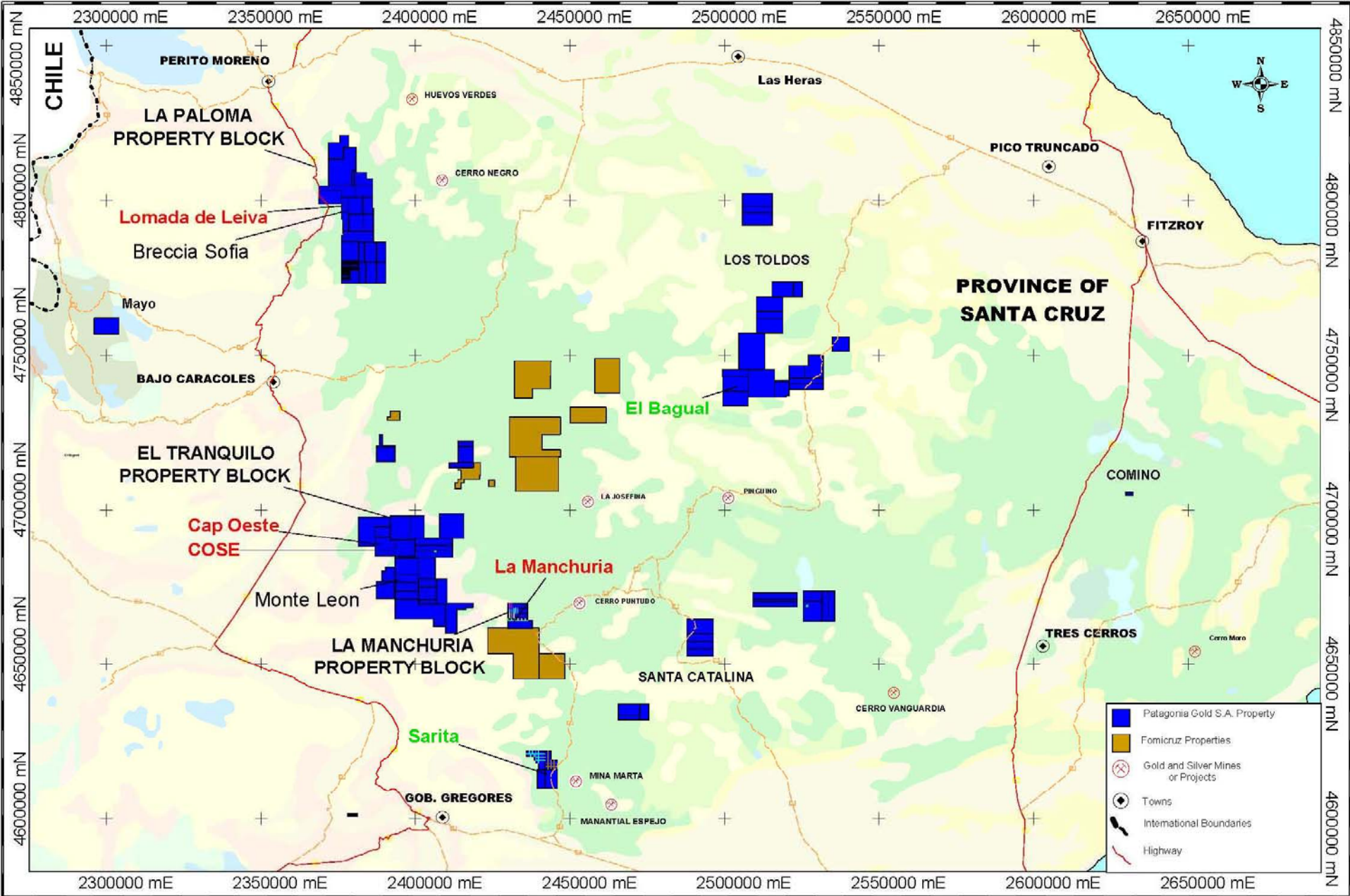
- **2012-Infill drilling** 6,000 metre program to upgrade inferred and uncapped resource
- **2012-Extension drilling** to enlarge resource (remains open along strike and down dip)
- **2012/13-Scoping Study** to investigate combined open pit and underground mining together with various processing methods

LA MANCHURIA

EXPLORATION POTENTIAL - Soil survey map-gold



PGSA EXPLORATION in SANTA CRUZ



DEVELOPMENT PROJECTS



LOMADA de LEIVA PROJECT

Current Project Status

- 40 Days of full Irrigation completed on ROM ore, 50 days remaining until completion of trial and reconciliation
- Au now being recovered to Carbon with Plant now fully commissioned
- Expansion of trial heap to 200Kt approved and extension of Pad completed, September commence loading of additional 110Kt, Q4 commence irrigation
- Update Scoping Study and Complete Pre-Feasibility, Including assessment of all potential Process options
- Selection of final Processing Route, commence scheduling and Engineering Design
- Submit full EIA Study and Application for full scale Project, Q4 2011

LOMADA de LEIVA PROJECT

TRIAL HEAP LEACH OPERATION



Construction of Plant Facility



Construction of Plant Facility



LOMADA de LEIVA PROJECT

Targeted Development 2012

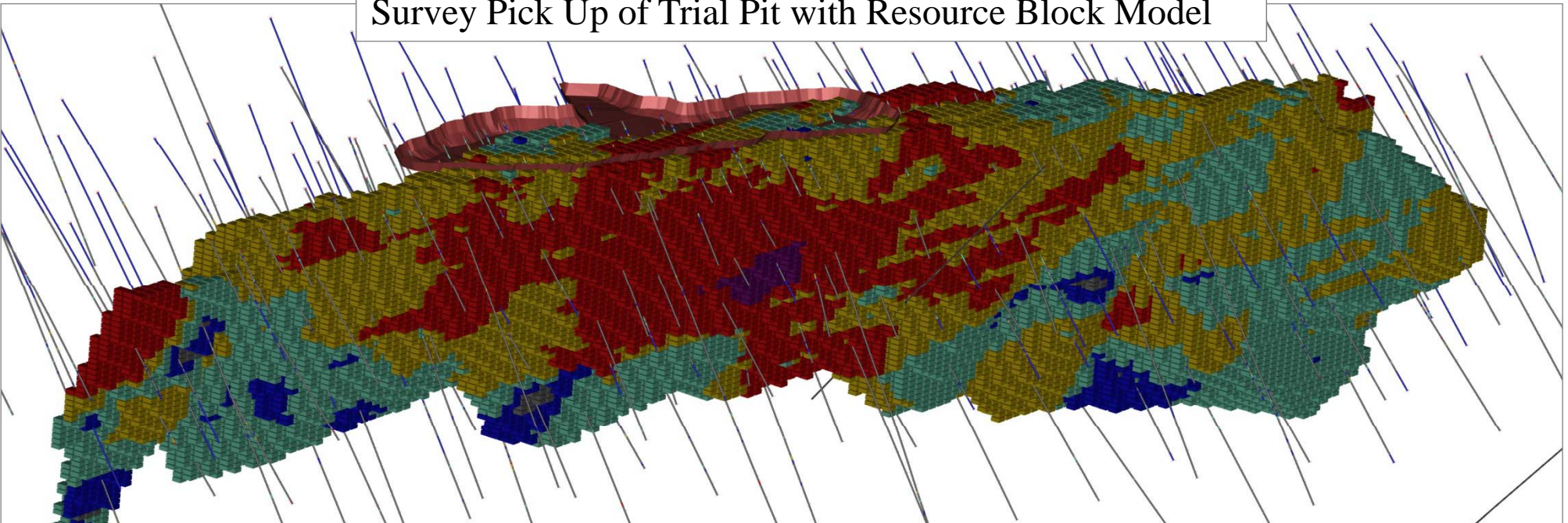
- EIA approval Q1
- Construction and commencement of Production at full scale, Q3
- Construction of Gold Room facility for production of doré commissioning Q1
- Continue to drill existing targets peripheral to main Lomada Orebody

LOMADA de LEIVA PROJECT

Mining of Trial Pit in Progress



Survey Pick Up of Trial Pit with Resource Block Model



COSE UNDERGROUND PROJECT



COSE Project

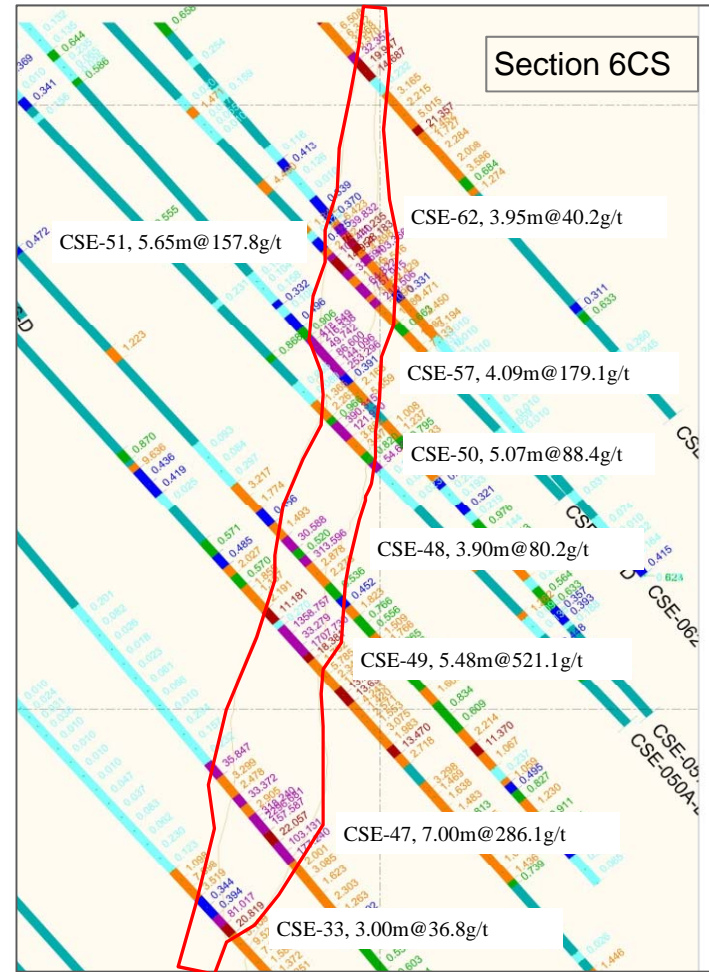
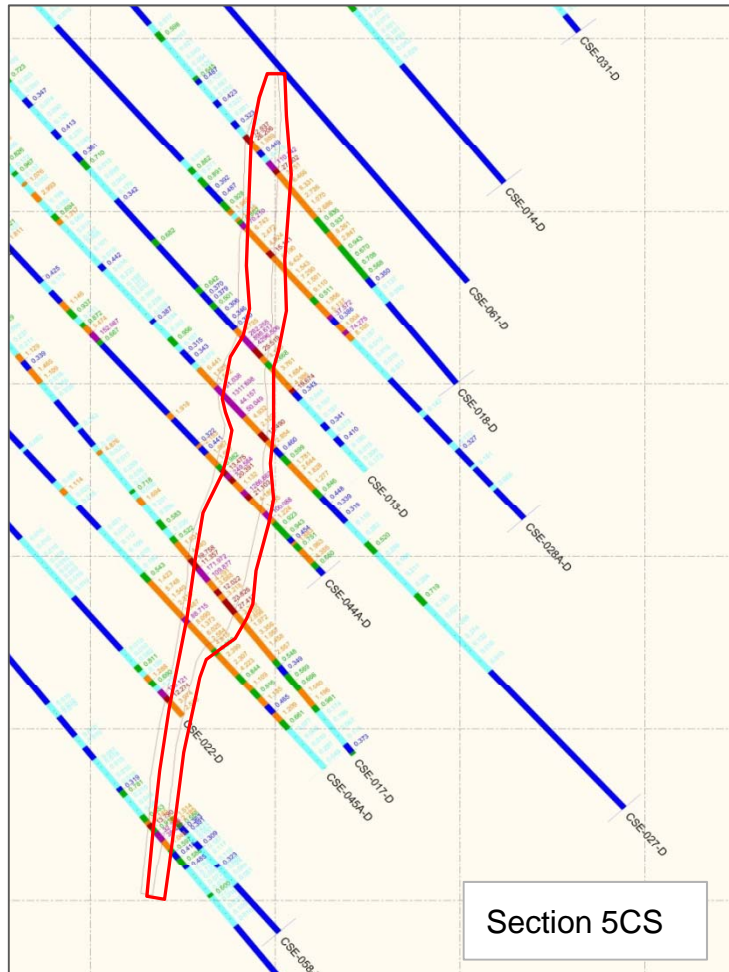
- Resource estimate and Preliminary Economic Assessment Study completed

Total INDICATED Resources Undiluted COSE Project						
	Grade			Ounces Contained Metal		
Tonnes	Au (g/t)	Ag (g/t)	AuEq (g/t)	Au Metal (oz)	Ag Metal (oz)	AuEq Metal (oz)
20,637	60.06	1,933.07	96.21	39,847	1,283,412	63,836

Total INFERRED Resources Undiluted COSE Project						
	Grade			Ounces Contained Metal		
Tonnes	Au (g/t)	Ag (g/t)	AuEq (g/t)	Au Metal (oz)	Ag Metal (oz)	AuEq Metal (oz)
13,758	60.06	1,933.07	96.21	26,565	855,050	42,557

- Total Resource IND+INF is 34,394t@60.6Au and 1933 Ag for 106koz eqv #(*Non-43-101 Compliant*)
- Robust economics, NPV of 93.8m \$US @ \$1,418 Au and \$35 Ag
- Total CAPEX and OPEX costs estimated at 33m \$US for LOM
- Very fast Development and Capital Payback rate, 9 months to first Ore, 23 months for completion entire Project

COSE Project Grade Continuity



All assays shown as AuEqv @ Au-Ag 42:1

- Grade modelled COSE Fault breccia = Geological control
- Grade only extrapolated 5m past last Drillhole
- Infill Pattern extremely dense 10m X 10m Spacing

COSE Project

Potential Treatment Routes for COSE HG Ore

DIRECT SHIPPING

- Direct Ship crushed Ore to smelter
- Recoveries for Au and Ag are 93% and 90% respectively
- Requires very low Capital
- High Recoveries
- No Permitting, No Chemical usage

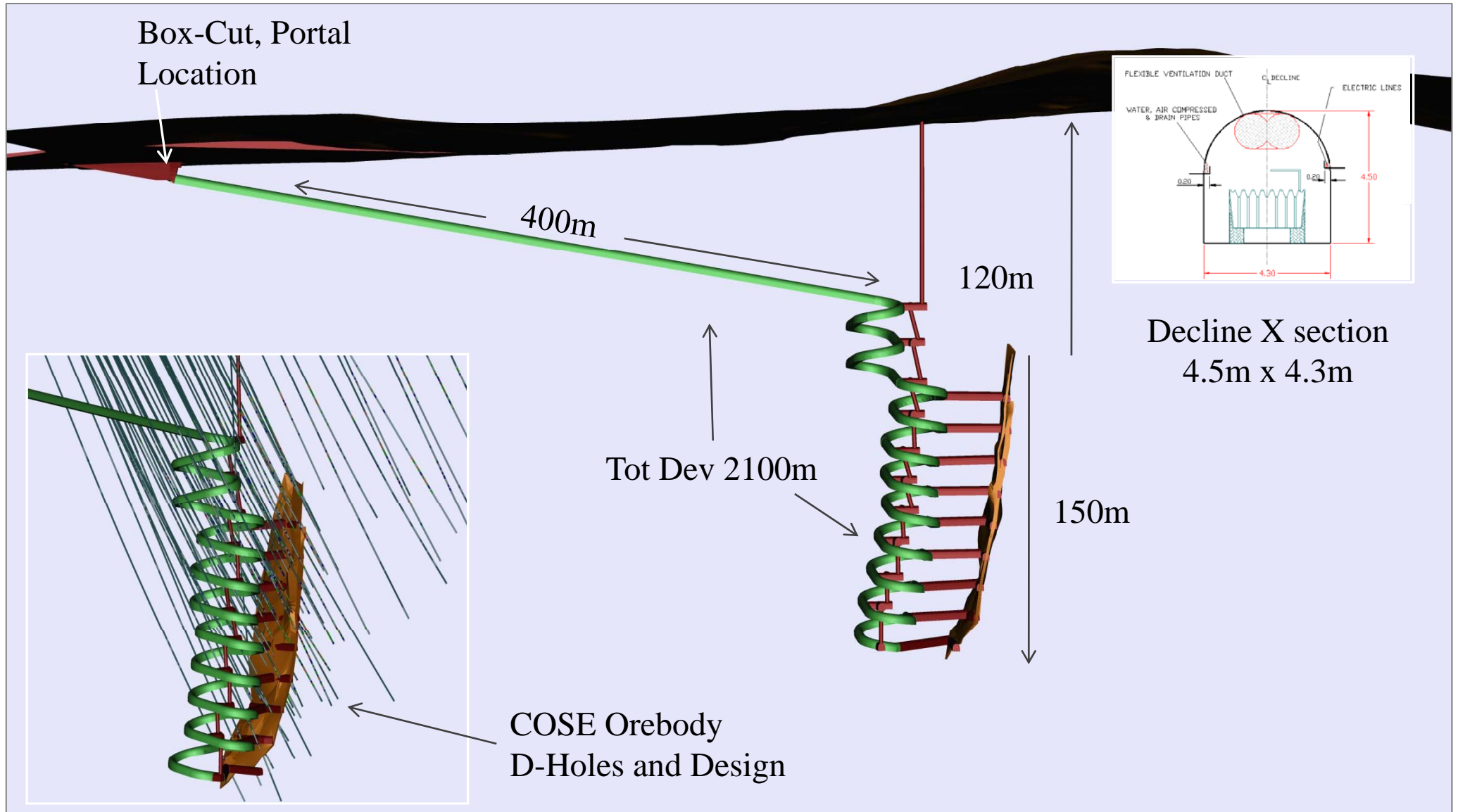


NaCN

- Construction of Stand Alone Merrill Crowe circuit on site
- Production of Dore'
- Higher Capital than Direct Shipping
- More permitting and longer lead time
- Recovery testwork to date >85% Au and >60% Ag, ongoing High NaCN

COSE Project

Proposed Decline Design and Orebody



COSE Project Proposed Infrastructure

