

## Patagonia Gold PLC : Amendment to Barrick Agreement

Released : 23.03.2011

RNS Number : 4395D

Patagonia Gold PLC

23 March 2011

## PATAGONIA GOLD PLC

Trading Symbol PGD.L

*23<sup>rd</sup> March 2011***AMENDMENT OF BARRICK AGREEMENT  
70% BACK-IN RIGHT CONVERTED TO A 2.5% NSR  
SANTA CRUZ PROVINCE, ARGENTINA**

**The Board of Patagonia Gold Plc (PGD) is pleased to announce that it has agreed with Barrick Exploraciones Argentina S.A. and Minera Rodeo S.A. (Barrick) to amend the original property acquisition agreement, eliminating the 'Back in Right' in exchange for a 2.5% Net Smelter Return (NSR) royalty.**

In 2007, Patagonia Gold Plc (PGD) entered into an Agreement with Barrick to acquire its entire exploration property portfolio in the Santa Cruz province of Southern Argentina.

The Barrick property portfolio consisted of 70 expidentes (mineral titles) in six groups covering approximately 200,000 hectares in the highly prospective Deseado massive region of the Santa Cruz Province in Argentine Patagonia. This portfolio includes PGD's **Cap-Oeste, Lomada and Manchuria gold and silver deposits**.

Within the original Agreement, Barrick retained the right to purchase an aggregate interest of up to 70% in any of the six groups upon the delineation of a Canadian National Instrument 43-101 (NI 43-101) Indicated Resource of 2,000,000 ounces or greater of gold or gold equivalent, on a forward looking basis (the 'Back In Right').

In exchange for the elimination of the 'Back in Right', Barrick will receive a 2.5% NSR on all future production of mineral products on those properties pertaining to the Agreement. The amended agreement is effective immediately. The royalty will not apply to PGD's other Santa Cruz properties, or those acquired in the Fomicruz Agreement.

**ENDS***For more information, please contact:*

Bill Humphries/Richard Prickett  
Patagonia Gold Plc  
Tel: +44(0)20 7409 7444

David Bick / Mark Longson  
Square 1 Consulting  
Tel : +44(0)20 7929 5599

Simon Raggett / Angela Peace  
Strand Hanson Ltd  
Tel: +44(0)20 7409 3494

Robin Henshall / Tim Graham  
Matrix Corporate Capital LLP  
Tel : +44(0)20 3206 7172 / +44(0)20 3206 7206

This information is provided by RNS  
The company news service from the London Stock Exchange

END

AGRPGUMPWUPGPUP