



# PATAGONIA GOLD PLC

**INVESTOR PRESENTATION**

**January 2013**

**AIM: PGD**

**TSX: PAT**



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# Investment Highlights



Strong Portfolio of Advanced Exploration Stage Projects

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Strategic Partnership with Fomicruz, the Santa Cruz Province Owned Mining Company

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Geological Prospectivity & Significant Land Holdings in the Deseado Massif

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Experienced Team with Extensive Regional Knowledge & Country Expertise

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Commenced Production in December 2012

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**Patagonia Gold Plc is an advanced stage mining exploration company that seeks to grow shareholder value through the acquisition, exploration and development of gold and silver projects in the Deseado Massif region of Argentina**



**Targeting Production of +200,000 Oz. AuEq Per Annum By 2016**



# Santa Cruz Province



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- ▶ Track record in precious and base metal production
- ▶ Fomicruz is the provincially owned mining company and a partner of Patagonia Gold on certain properties
- ▶ Key mining players:



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GOLDCORP

McEwen Mining

HOCHSCHILD MINING PLC

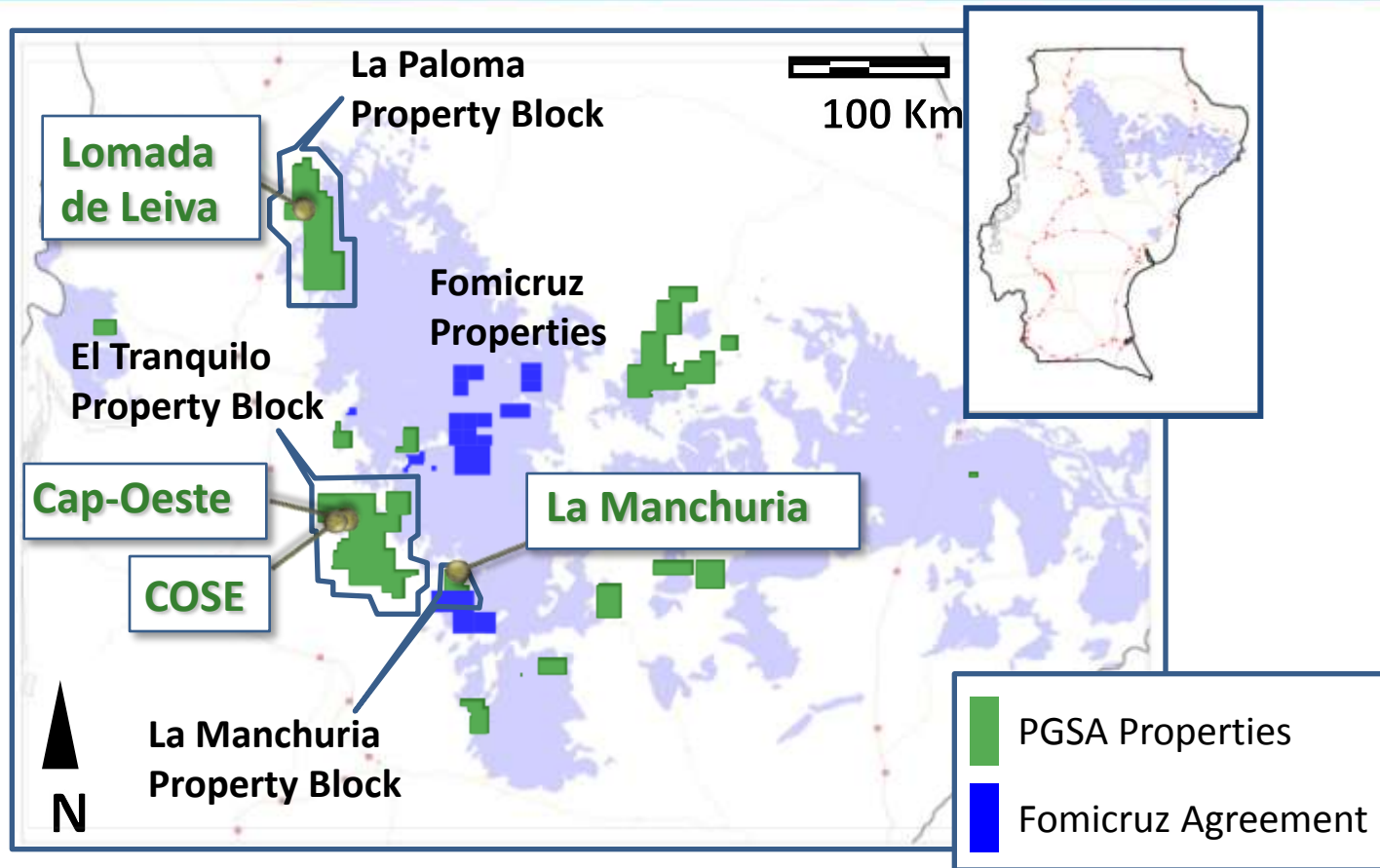
YAMANA GOLD

Pan American  
SILVER CORP.

ANGLOGOLD ASHANTI



# Footprint in Santa Cruz



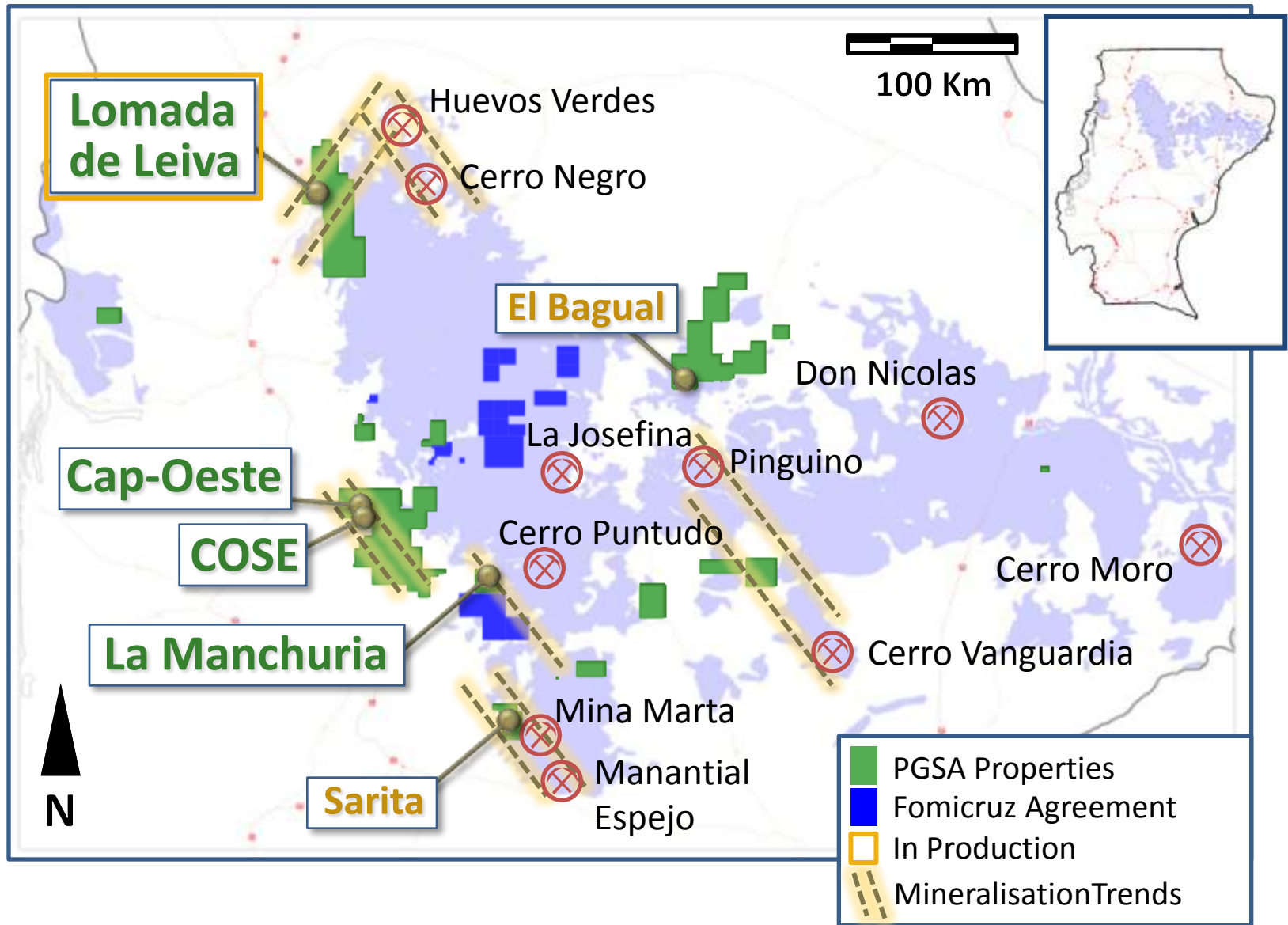
- ▶ Favourable geological prospects with land holdings along mineralized trends
- ▶ 350,000 ha land holdings in Santa Cruz
- ▶ Patagonia Gold has a strategic partnership with Fomicruz
- ▶ Established mines and advanced projects in-region

# Santa Cruz Province

## Established Mines & Advanced Projects



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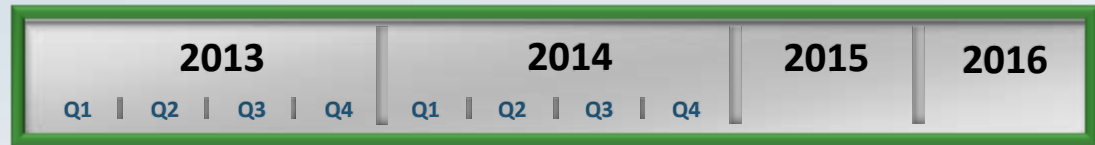
## 43-101 Compliant Resources– 4 Projects

INDICATED		GRADE (g/t)			METAL (Oz)		
PROJECT	Tonnes	Au	Ag	AuEq	Au	Ag	AuEq
Cap-Oeste	7,790,000	2.93	99.0	4.79	734,000	24,801,000	1,197,000
COSE	20,637	60.06	1,933.07	96.21	39,850	1,282,582	63,835
La Manchuria	425,705	2.95	135.00	4.07	40,317	1,848,211	55,684
Lomada	5,002,016	1.00	N/A	N/A	161,346	N/A	161,346
<b>TOTAL INDICATED</b>					<b>975,513</b>	<b>27,931,793</b>	<b>1,477,865</b>
INFERRED		GRADE (g/t)			METAL (Oz)		
PROJECT	Tonnes	Au	Ag	AuEq	Au	Ag	AuEq
Cap-Oeste	2,369,000	1.52	52.5	2.50	116,000	4,001,000	191,000
COSE	13,758	60.06	1,933.07	96.21	26,566	855,055	42,557
La Manchuria	1,469,020	1.53	49.40	1.92	72,335	2,335,236	90,682
Lomada	3,412,271	0.67	N/A	N/A	73,725	N/A	73,725
<b>TOTAL INFERRED</b>					<b>288,626</b>	<b>7,191,291</b>	<b>397,964</b>



# Growth Strategy

## Advancing a Portfolio of Highly Prospective Assets in Santa Cruz



### In Production

#### Lomada de Leiva

Leach pad expansion to 330,000t & production  
Commence main heap leach



### Near Term Production

#### COSE

Construction of decline  
Bulk metallurgical studies & production



### Flagship Project

#### Cap-Oeste

Pre feasibility study  
Full feasibility study  
Permitting, Construction  
Production



# Production Project



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# Lomada de Leiva Project



■ PAD EXPANSION UNDER IRRIGATION

# Lomada de Leiva Project

- ▶ Fully permitted in Q4 2012
- ▶ Gold production commenced Q4 2012
- ▶ 135,000 tonne trial heap leach pad & processing facility performing satisfactorily
- ▶ Pad expansion to 135,000 tonnes completed in Q2 2012
- ▶ Construction of 330,000 tonnes to be completed in Q2 2013
- ▶ Gold room commissioned Q4 2012
- ▶ Commencement of full scale HL project scheduled Q3 2013



## Resource

Category	Tonnes	Au (g/t)	Au (oz)
INDICATED	5,002,016	1.00	161,346
INFERRED	3,412,271	0.67	73,725



# Lomada de Leiva in Production



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# COSE Project

- ▶ 2 km SE of Cap-Oeste

## COMPLETED

- ▶ 76 drill holes for 22,040 metres
- ▶ NI 43-101 Resource Estimate
- ▶ 34,395 tonnes at 60.06 g/t gold and 1,933.07 g/t silver including inferred resources

## PLANNED

- ▶ Q4 2013-Q4 2014 development drive for underground drilling (*Mineralisation open in all directions*), Under Tender
- ▶ Q2 2014-Q2 2015, Mining and Production



## Resource

Category	Tonnes	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)	AuEq (oz)
INDICATED	20,637	60.06	1,933.07	39,850	1,282,582	63,835
INFERRED	13,758	60.06	1,933.07	26,566	855,055	42,557

# COSE Project

## Proposed Underground Access

### Decline Development

- ▶ NPV of **US\$ 93.8M**
  - ▶ @ gold **US\$ 1,418/oz**
  - ▶ @ silver **US\$ 35.00/oz**
- ▶ Time frames:
  - ▶ Life of mine of 23 months
  - ▶ 11 month construction
  - ▶ 12 month production with 2 month Capex payback
- ▶ OPEX and CAPEX costs **US\$ 33M** for life of mine using the direct shipping option of the mined ore to smelter

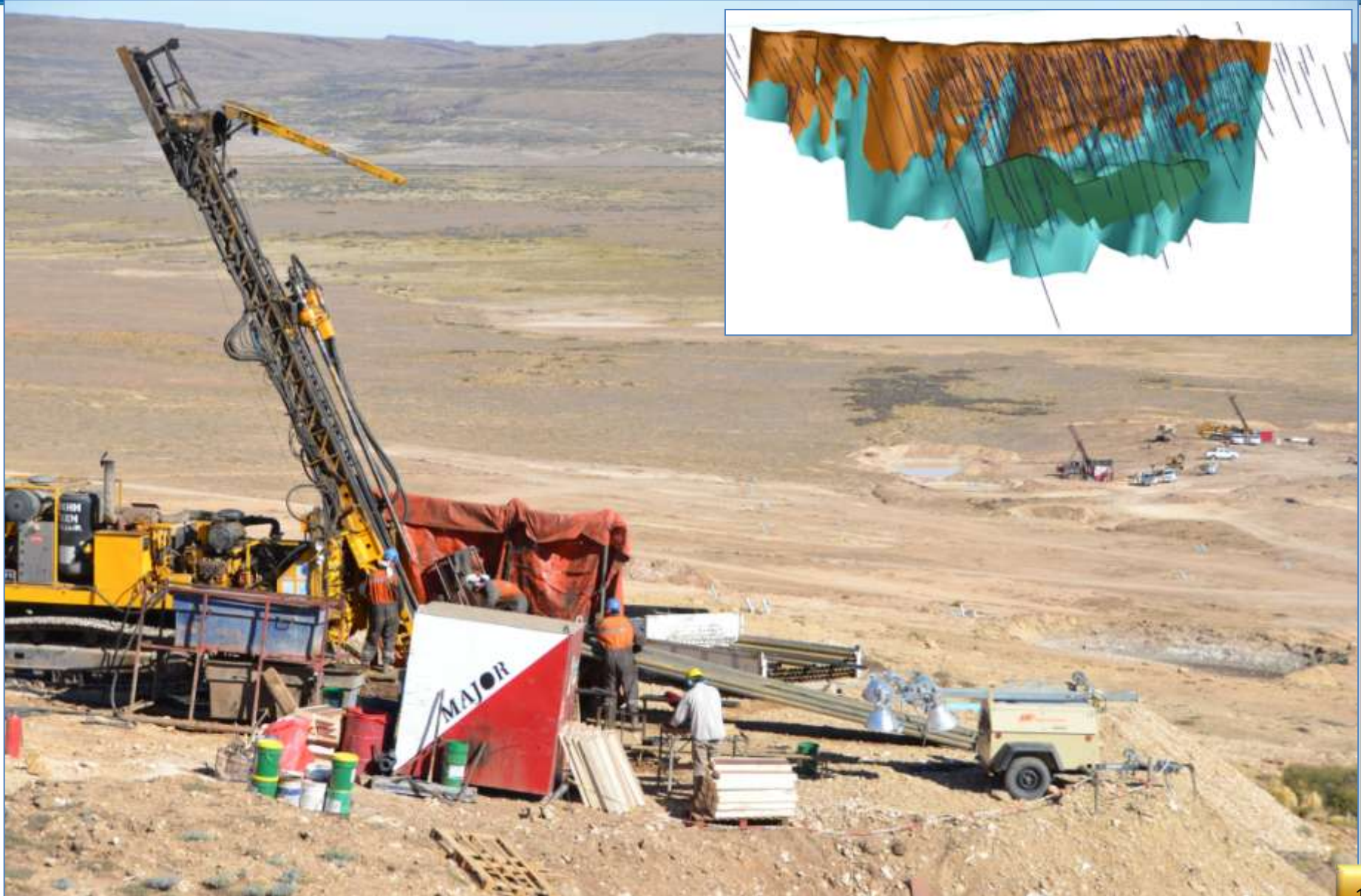




# Exploration and Resources



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# Cap-Oeste Project

- ▶ Flagship project
- ▶ Tracks Bonanza fault
- ▶ Mapped over 6 km strike length of project
- ▶ 94,323 metre drilling completed to April 2012 (61,289m for previous resource, 20,743m for Sept 2012 resource and 12,010m since)
- ▶ Mineralisation open in all directions
- ▶ Resource update Q3 2012



## Resource

Category	Tonnes	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)	AuEq (oz)
INDICATED	7,790,000	2.93	99.00	734,000	24,801,000	1,197,000
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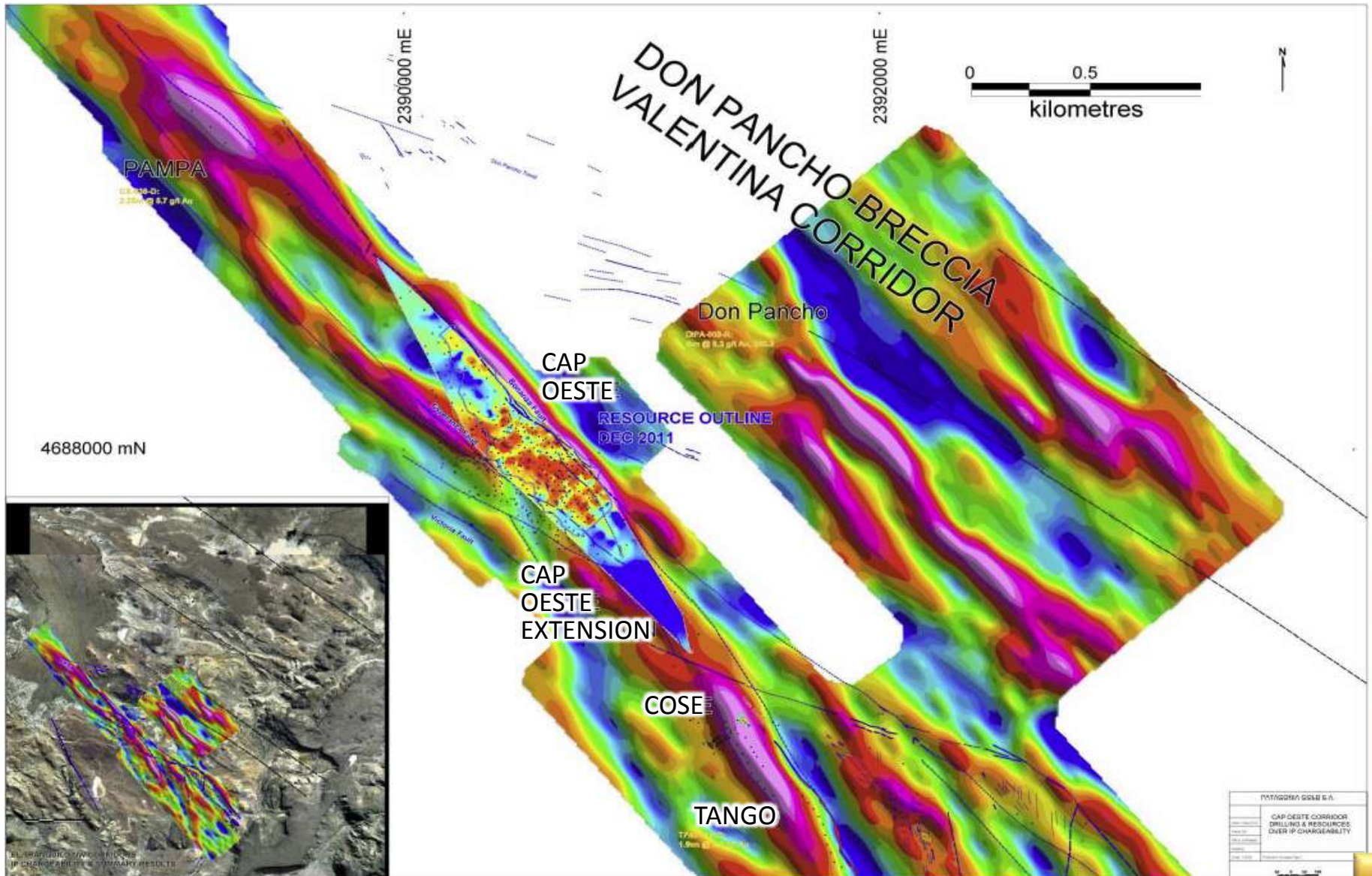


# Cap-Oeste Project Area

## Advanced Projects & Other Prospects



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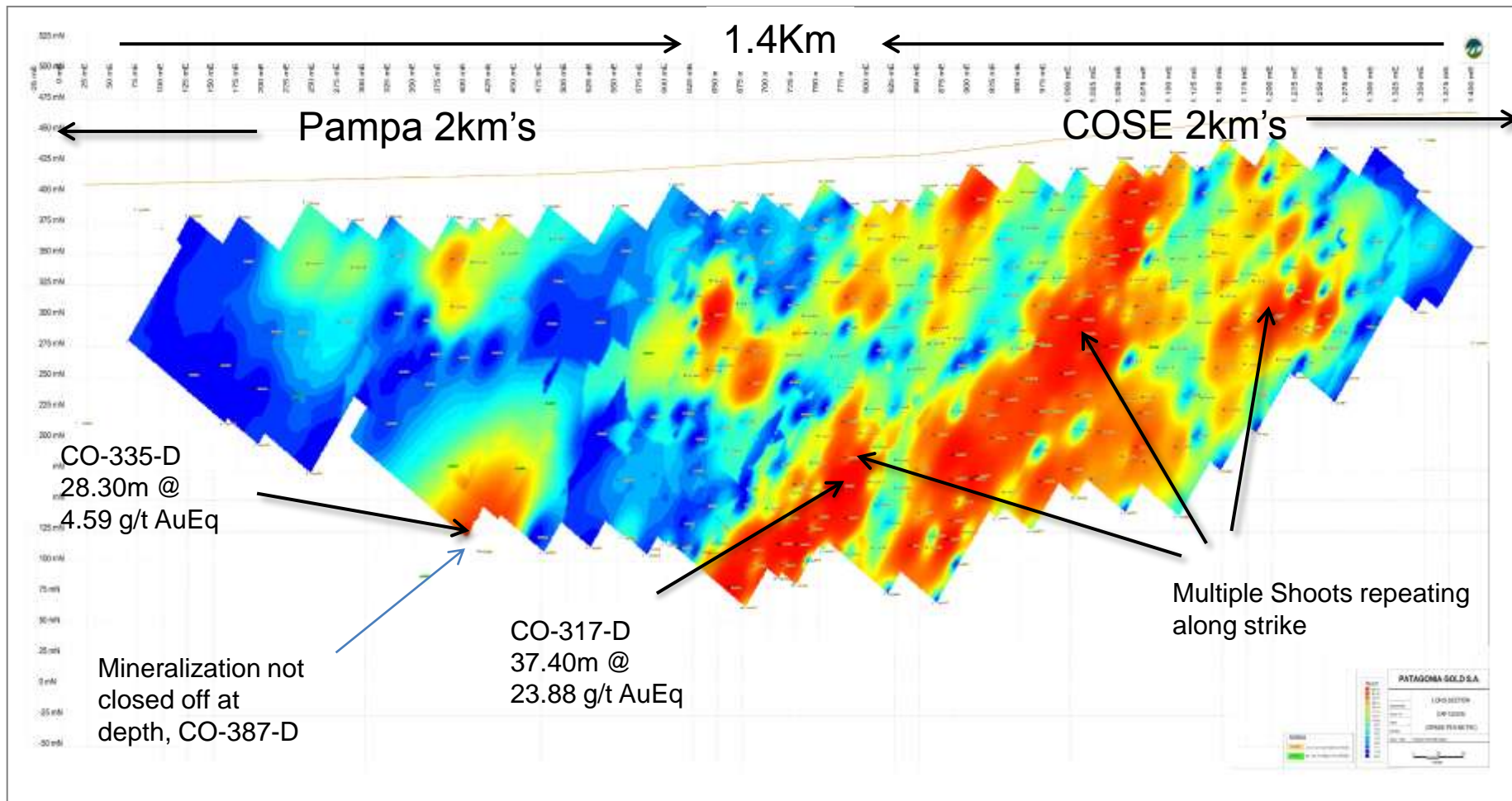


# Cap-Oeste Project Area

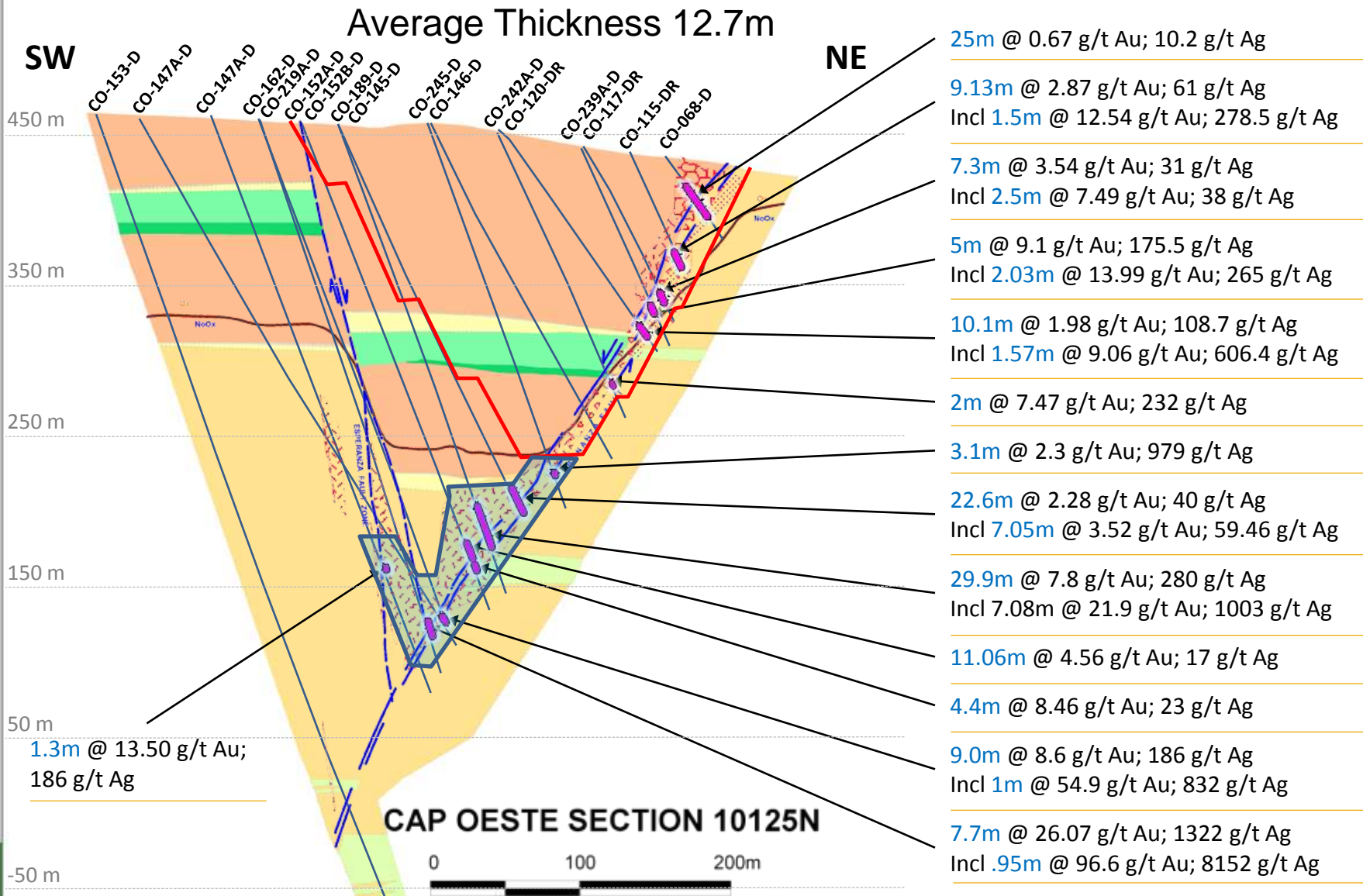
## Long-section Showing Au x metre



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# Cap-Oeste Project



- ▶ Both Oxide and Sulphide amenable to flotation
- ▶ Au and Ag recoveries in Sulphide returned 88.3% and 95.5% respectively
- ▶ Au and Ag recoveries in Oxide returned 98.8% and 97.5% respectively



- ▶ G&T laboratories carrying out second phase flotation, gravity sep and Knelson concentrator test work
- ▶ 300Kg from 3 test holes to be sent to GEKKO Australia for VSI crushing and Flotation testwork plus In-line reactor high Cyanidation of concentrate
- ▶ All testwork to form part of definitive feasibility work

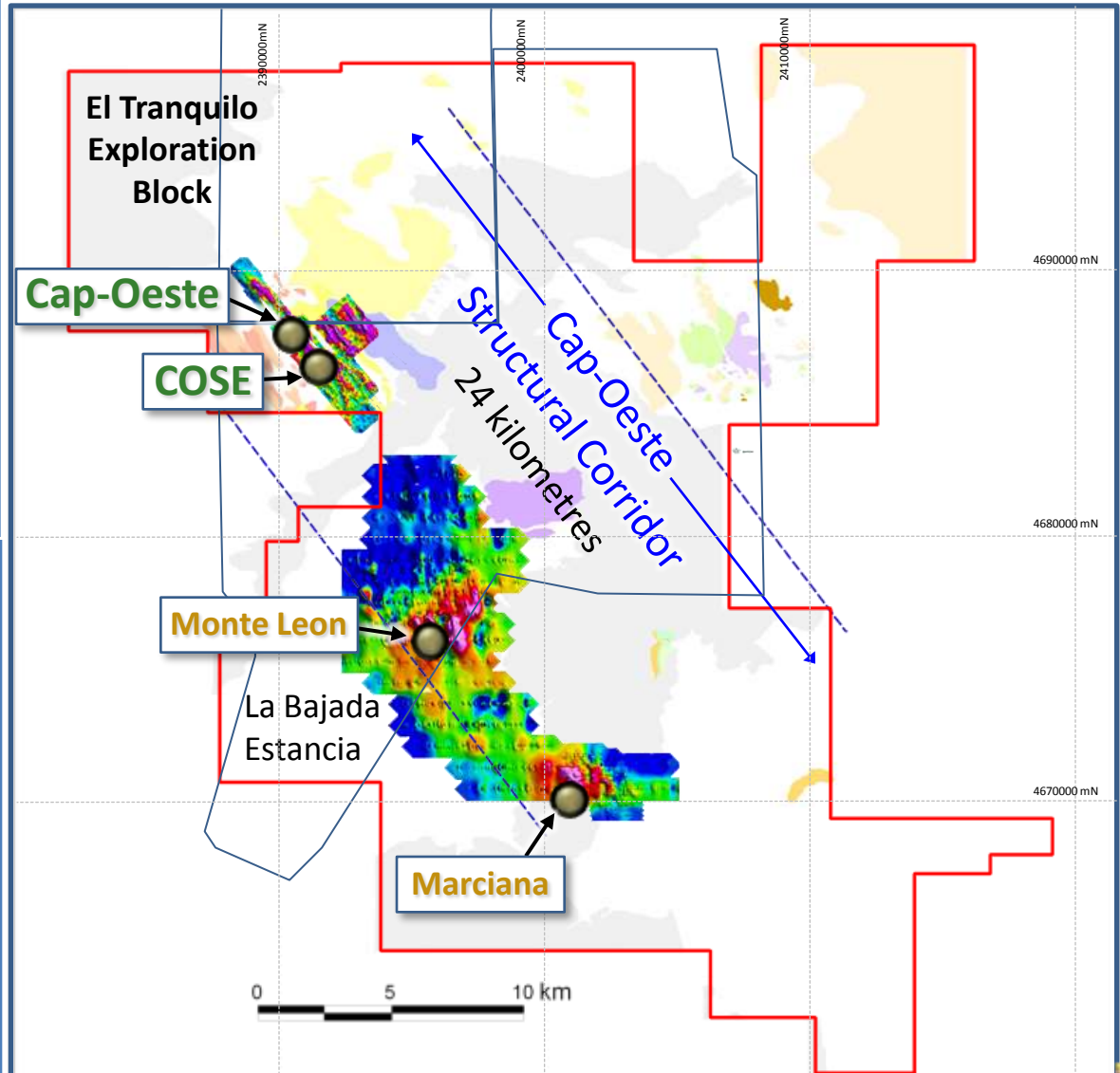




# Cap-Oeste Structural Corridor



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# La Manchuria Project

- ▶ Exploration stage project
- ▶ 3 drill campaigns completed over past 3 years
- ▶ High-grade gold-silver mineralisation
- ▶ Open to North, South and depth
- ▶ Further drilling planned



## Resource

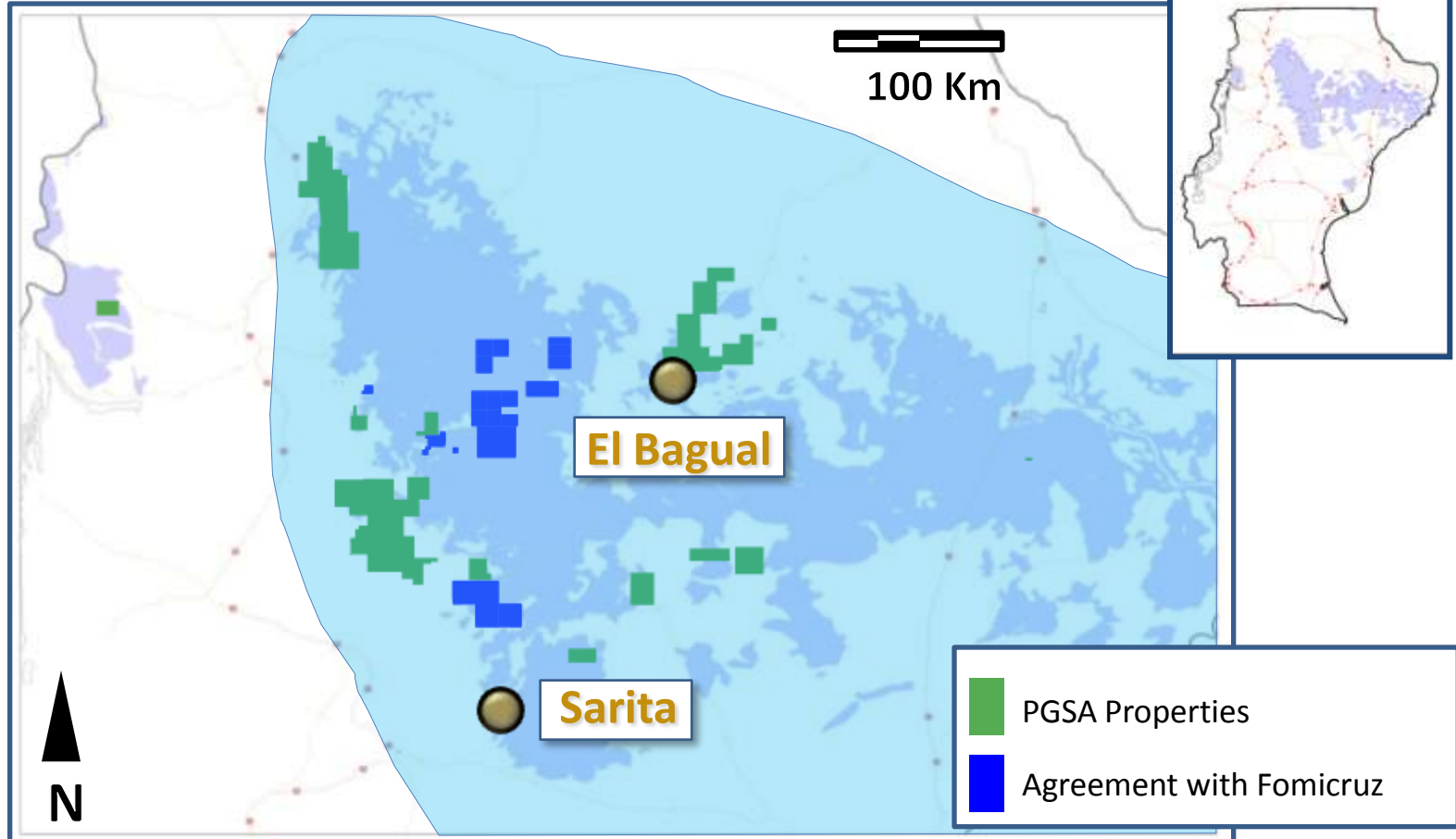
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INDICATED	425,705	2.95	135.00	40,317	1,848,211	55,684
INFERRED	1,469,020	1.53	49.40	72,335	2,335,236	90,682



# Other Exploration

**Deseado Massif – 60,000 sq km**

**Second Pass in Progress to Identify Drill Targets**



- ▶ 53 additional exploration property blocks totalling 165,596 hectares
- ▶ Two exploration teams dedicated to advancing claims

# Corporate History (2007 to Current)

## Corporate Activity

**February** – The Company entered into an agreement with Barrick Gold to acquire exploration properties in Santa Cruz

**May** – The Company places an equity offering in the UK for proceeds of £13mm (US\$20mm)

**March** – The Company amends Barrick back-in right. Converted to a 2.5% NSR royalty

**April** – The Company places two equity offerings in the UK for proceeds of £24mm (US\$39mm)

**October** – Patagonia Gold Plc and Fomicruz entered into a shareholder agreement for the development of PGSA properties in Santa Cruz <sup>(1)</sup>

**December** – The Company commences trading on the Toronto Stock Exchange (TSX) under the symbol PAT

2007

2008

2009

2010

2011

2012

## Resources & Prospects

**August** – Resource estimate for Lomada de Leiva Project

**October** – Initial resource estimate for Cap-Oeste Project

**November** – Lomada de Leiva Project scoping study

**September** – Resource update for Cap-Oeste Project

**September** – Resource estimate for La Manchuria Project

**May** – Resource estimate and PEA for COSE Project

**November** – Second resource update for Cap-Oeste Project

**September** – Resource upgrade for Cap-Oeste

**December** – First gold production at Lomada de Leiva

(1) Fomicruz acquired a 10% interest in PGSA in exchange for 100k ha of new prospective mining properties

# Market Profile

Exchange: Ticker	AIM:PGD	TSX:PAT <sup>(1)</sup>
Share Price	£0.29	C\$0.45 <sup>(2)</sup>
Market Capitalization F.D. (mm)	£226	C\$353 <sup>(2)</sup>
52 Week High/Low	£0.70 / £0.14	C\$1.09 / C\$0.48 <sup>(3)</sup>
Avg 3 Month Daily Volume	0.90	n/a
Basic Shares Outstanding (mm)	779.7	
Long Term Debt	Nil	
<b>Key Ownership</b>		
• Management & Insiders	42.8%	
• Blackrock	8.9%	
• Barrick Gold	3.6%	
• Van Eck Global	4.5%	



Note: All market information as at September 10, 2012

(1) TSX trading commenced on December 7, 2011

(2) TSX share price and market capitalization calculated for illustrative purposes based on the observed AIM closing price on September 10, 2012 of 29.0p

(3) Implied 52 week high/low prices converted to C\$ at CAD/GBP FX rate on the date of the respective high/low occurrence

## Management

- ▶ **William H Humphries** – CEO, Managing Director – 40+ years in mining and civil engineering. Previously Managing Director of Brancote Holdings Plc prior to its acquisition by Meridian Gold in 2002.
- ▶ **Philip C Yee** – CFO – Canadian CA with 25+ years in financial management and 10+ years in mining. Previously Vice President Finance at Centerra Gold Inc.'s flagship Kumtor Gold Project in Kyrgyzstan, Central Asia.
- ▶ **Matthew Boyes** – COO – BSC. Geology and Fellow AusIMM with 16+ years of mining experience. Previously Resource Manager at Oriel Resources Plc and Orso Minerals.

## Board of Directors

- ▶ **Carlos J Miguens** – Non-Exec. Chairman – Prominent Latin American businessman. President of Argentina's largest brewery for 11 years and VP & Director of multiple companies in Argentina.
- ▶ **William H Humphries** – CEO & Managing Director Patagonia Gold Plc – see Management Summary above.
- ▶ **Gonzalo Tanoira** – Finance Director – Previously an investment banker at Bear Stearns with coverage of Latin America and Director of multiple companies in Argentina.
- ▶ **Marc J Sale** – Technical Director – 25+ years experience in mining exploration & development. Previously Project Manager at Brancote Holdings Plc.
- ▶ **Edward J Badida** – Non Exec. Director – Canadian CA with 40+ years in financial management and corporate governance. Served as CFO or board member of 10 TSX/TSX-V listed companies in the past 10 years.
- ▶ **Gary A. Sugar** – Non-Exec. Director – Prior Managing Director of Mining investment banking at RBC Capital Markets where he worked for 32 years.





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