



**PATAGONIA  
GOLD PLC**

**INVESTOR PRESENTATION**

**March 2012**

**TSX: PAT**

**AIM: PGD**



# Forward Looking Statements

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# Investment Highlights



Strong Portfolio of Advanced Exploration Stage Projects

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Mining-Friendly Santa Cruz Province & Strategic Partnership with Fomicruz, the Provincially 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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Aggressive Exploration Program to Grow Resources

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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 2015

# Market Profile

Exchange: Ticker	AIM:PGD	TSX:PAT <sup>(1)</sup>
Share Price	£0.40	C\$0.64 <sup>(2)</sup>
Market Capitalization F.D. (mm)	£320	C\$508 <sup>(2)</sup>
52 Week High/Low	£0.71 / £0.35	C\$1.13 / C\$0.55 <sup>(3)</sup>
Avg 3 Month Daily Volume (mm)	1.5	n/a
Basic Shares Outstanding (mm)	736.5	
Cash (US\$mm)	\$32.2 <sup>(4)</sup>	
Debt (US\$mm)	Nil	
Key Ownership		
• Management & Insiders	40.1%	
• Blackrock	9.4%	
• Barrick Gold	3.9%	
• Van Eck Global	3.4%	



Note: All market information as at February 24, 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 Feb 24, 2012 of 40.25p

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

(4) As of June 30, 2011

## 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 VP of Finance at Centerra Gold’s flagship Kumtor Gold Project in 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

- ▶ **Sir John Craven** – Non-Exec. Chairman – Chairman & Director of multiple companies including Lonmin Plc, Morgan Grenfell Plc and Deutsche Bank
- ▶ **Carlos J Miguens** – Non-Exec. Deputy 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 Sugar** – Non-Exec. Director – Prior Managing Director of Mining investment banking at RBC Capital Markets where he worked for 32 years

# Santa Cruz Province



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- ▶ Mining friendly Santa Cruz province
- ▶ Track record in precious and base metal production
- ▶ Fomicruz is the provincially owned mining company and a partner of Patagonia Gold on certain properties
- ▶ Major industry players:



 **GOLDCORP**

  
**ANGLOGOLD ASHANTI**

**HOCHSCHILD MINING PLC**

 **extorre**  
Gold Mines Limited

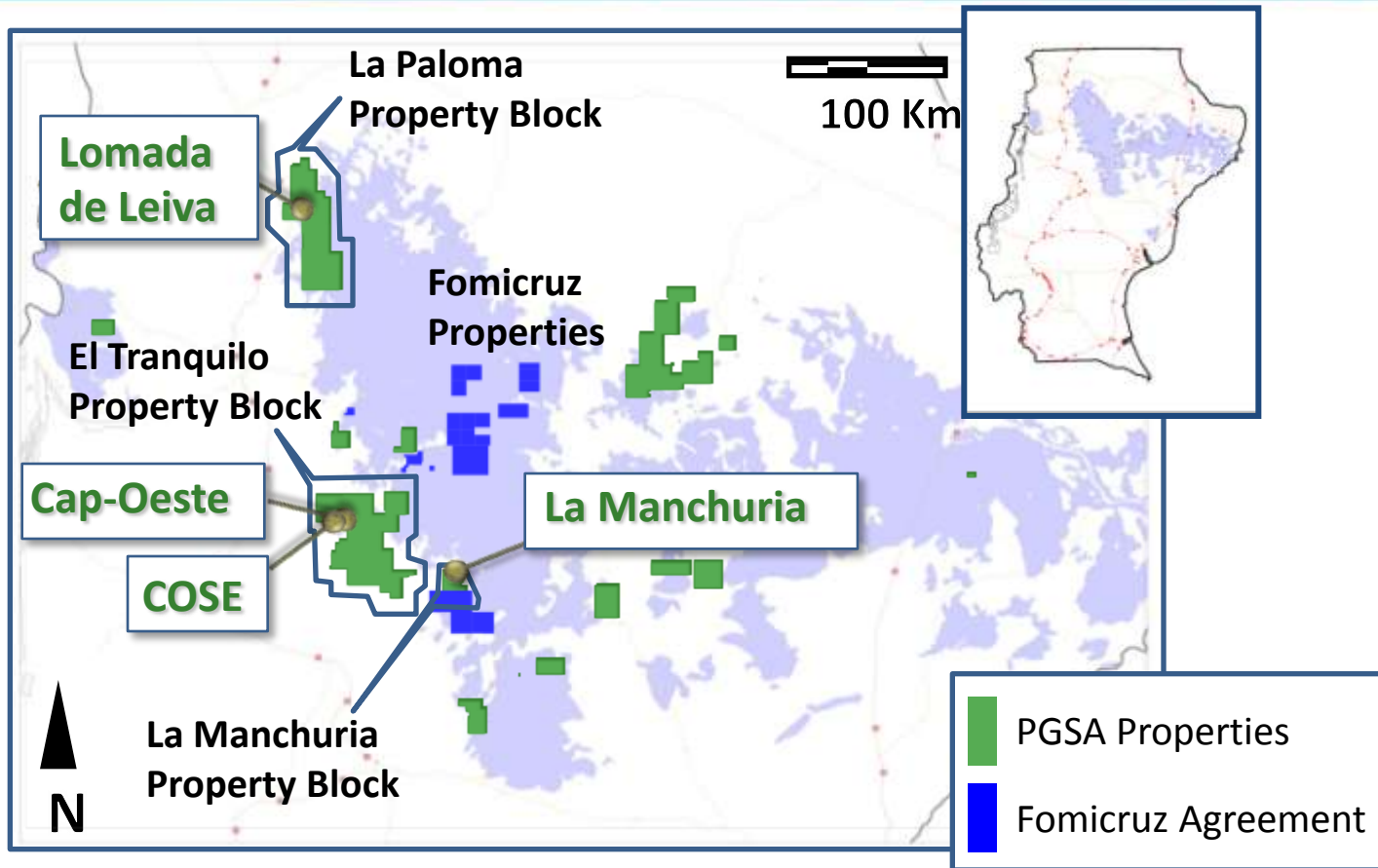
 **Pan American**  
SILVER CORP.

  
**McEwen Mining**

# Footprint in Santa Cruz



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- ▶ Favourable geological prospects with land holdings along mineralized trends
- ▶ 370,000 ha land holdings in Santa Cruz
- ▶ Patagonia Gold has a strategic partnership with Fomicruz
- ▶ Established mines and advanced projects in-region



## 43-101 Compliant (oz) – 4 Projects

	INDICATED	INFERRED
<b>Gold</b>	<b>0.8 M</b>	<b>0.3 M</b>
<b>Silver</b>	<b>22.8 M</b>	<b>7.1 M</b>
<b>AuEq</b>	<b>1.2 M</b>	<b>0.5 M</b>

- ▶ Properties acquired in 2007 from Barrick Gold
- ▶ March 2011 - Barrick Gold back-in right to main properties replaced with 2.5% net smelter royalty
- ▶ Projects are low sulphidation epithermal gold-silver deposits

# Cap-Oeste Project

- ▶ Our flagship project
- ▶ Tracks Bonanza fault
- ▶ Mapped over 6 km strike length of project
- ▶ 70,000 metre drilling completed to January 2012
- ▶ Mineralisation open in all directions



## Resources (oz)

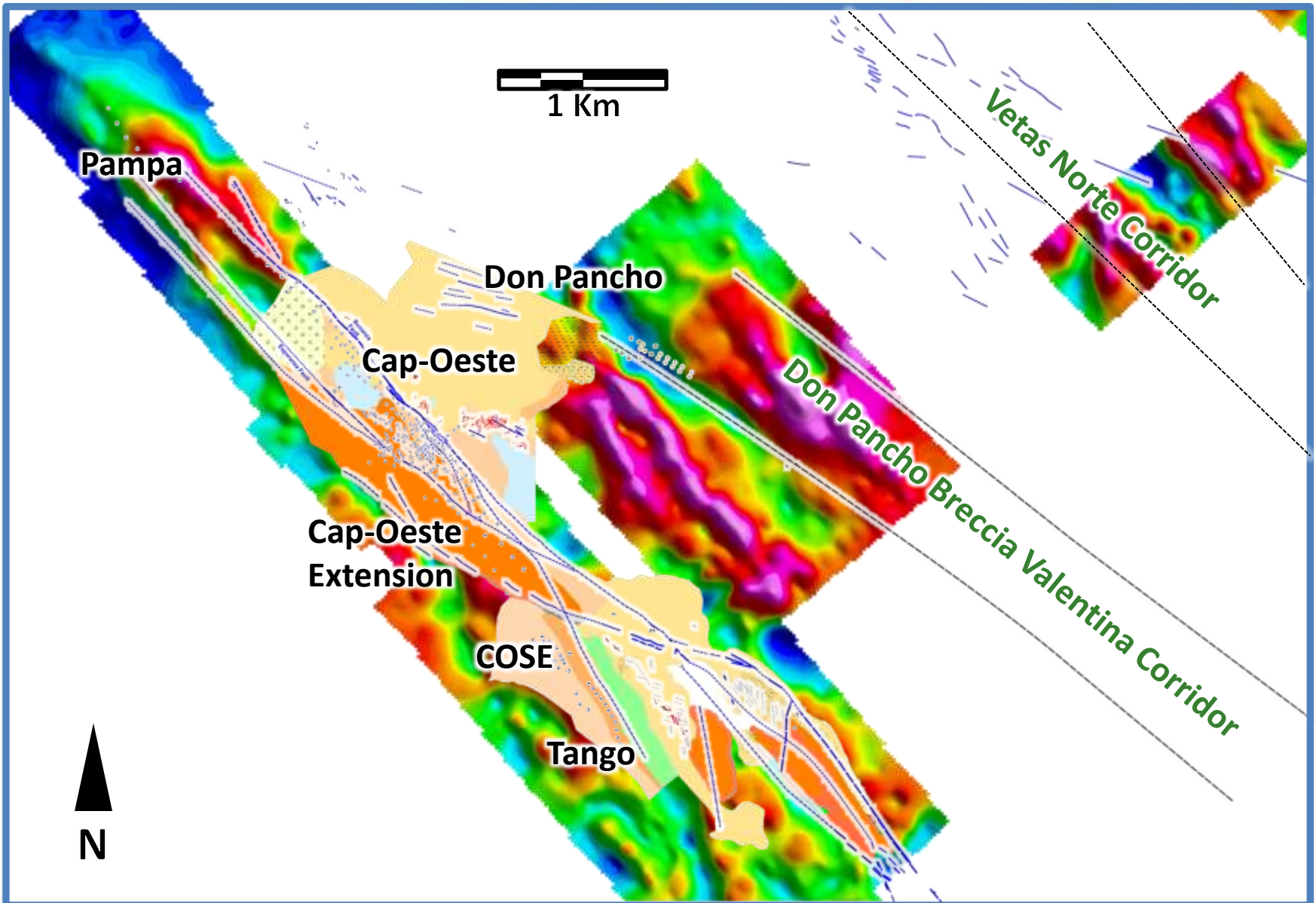
	Gold	Silver	AuEq
INDICATED	599,570	19,656,004	966,972
INFERRED	156,465	3,878,940	228,968

# Cap-Oeste Project Area

## Advanced Projects & Other Prospects



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# Cap-Oeste Project

## COMPLETED

- ▶ NI 43-101 Resource estimate November 2011
- ▶ Phase 3: expansion drilling in January 2012

## IN PROGRESS

- ▶ Resource estimate update Q2 2012
  - ▶ The deposit remains open along strike and down dip
- ▶ Exploration drilling
  - ▶ Along Bonanza structure – Pampa to Tango 6km
- ▶ Ongoing Metallurgical Studies

## PLANNED

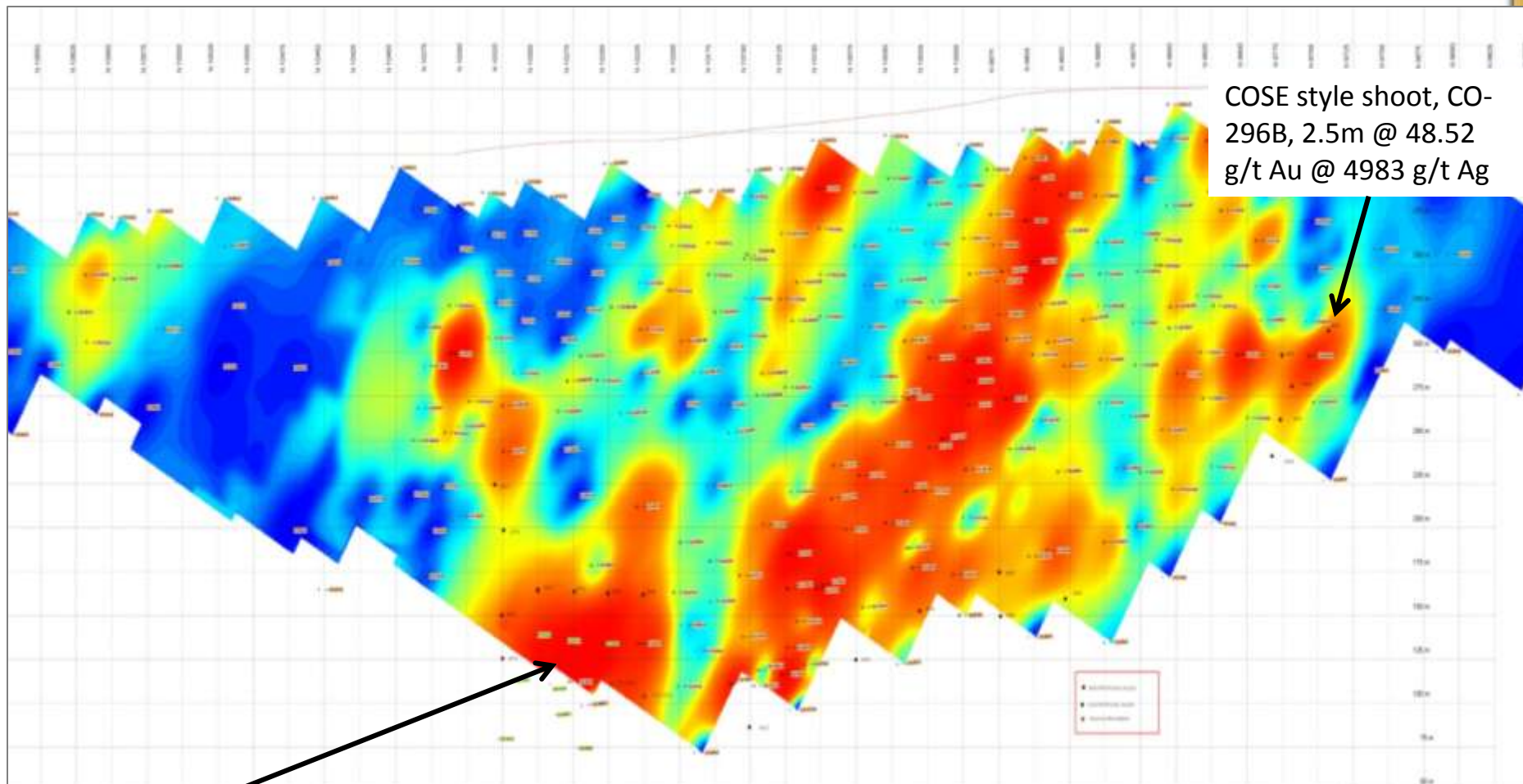
- ▶ **2012** : Pre feasibility study
- ▶ **2013** : Full feasibility study
- ▶ **2013/2014** : Permitting and construction
- ▶ **2015** : Production

# Cap-Oeste Project Area

## Long-section showing Au x metre



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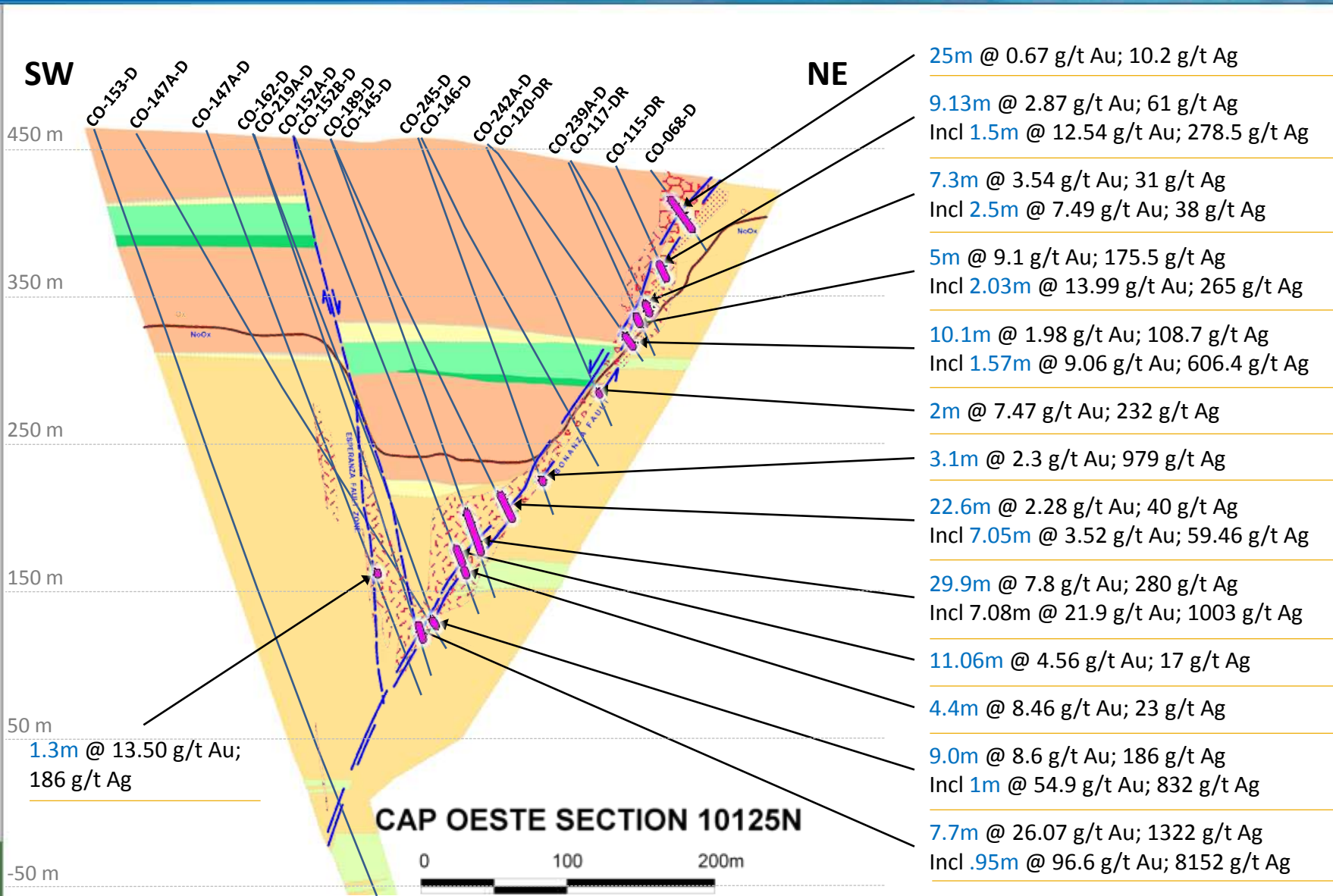


COSE style shoot, CO-296B, 2.5m @ 48.52 g/t Au @ 4983 g/t Ag

CO-285, 8.91m @ 70.79 g/t Au and 518 g/t Ag

Patagonia Gold S.A.	
File Name:	Cap Oeste
Date:	17/10/2010
Area:	17/10/2010 Update
Drawn by:	Long Section
Checked by:	
Date:	
Scale:	

# Cap-Oeste Project



# Cap-Oeste South East (COSE) Project

- ▶ 2 km SE of Cap-Oeste

## COMPLETED

- ▶ 69 drill holes for 17,815 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

- ▶ 2012 development drive for underground drilling (*Mineralisation open in all directions*), Under Tender
- ▶ Bulk metallurgical studies and mining

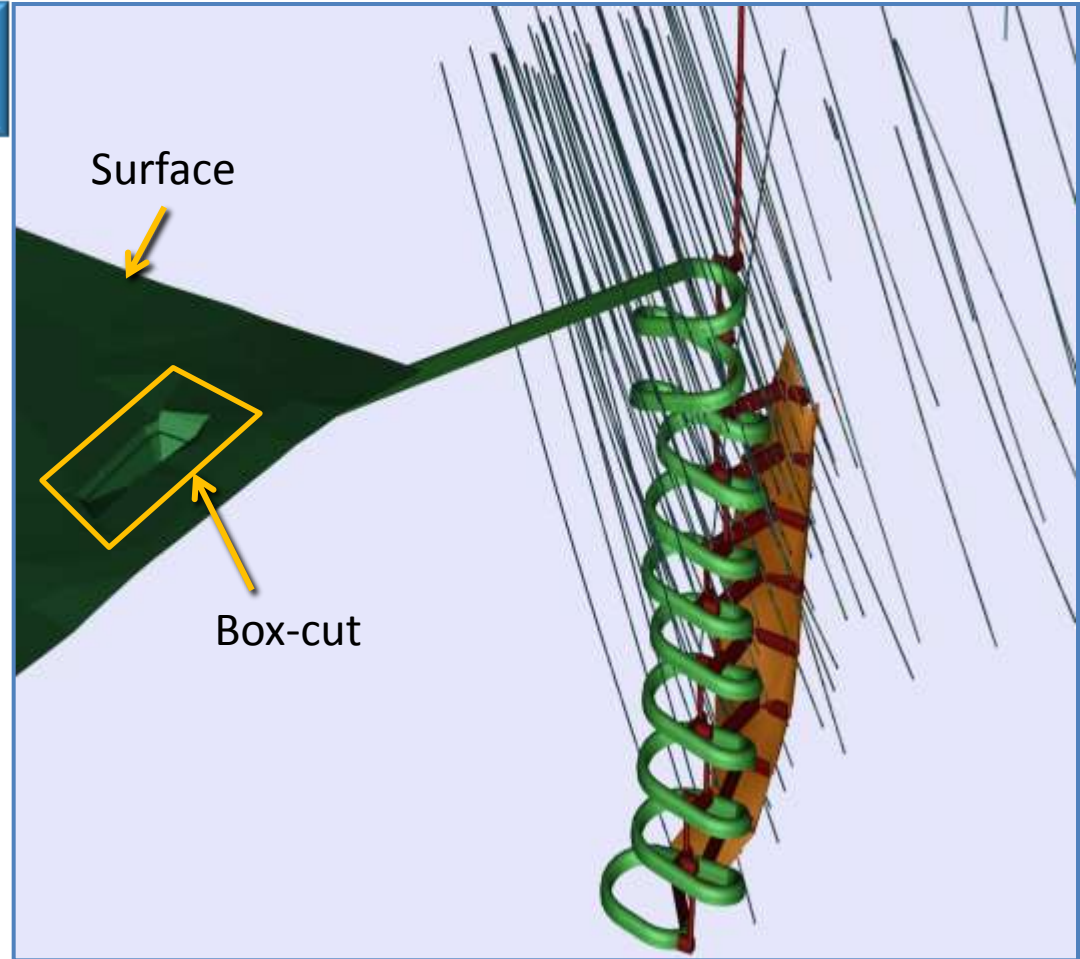


## Resources (oz)

	Gold	Silver	AuEq
INDICATED	39,850	1,282,582	63,835
INFERRED	26,566	855,050	42,557

### 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



### Proposed Dimensions

Box cut to 15 metres depth | Decline 4.5x4.3x1,980 metres



# COSE Project

## Proposed Decline Design and Orebody



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Box-Cut,  
Portal Location

400m



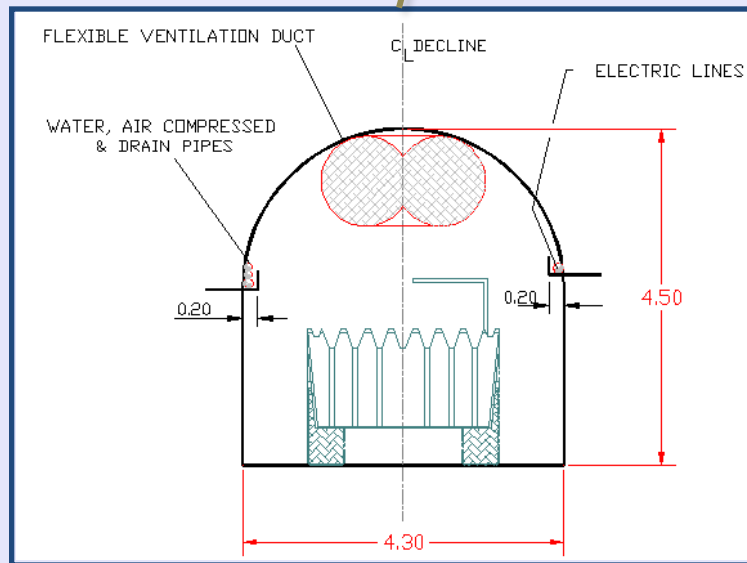
100 M

120m

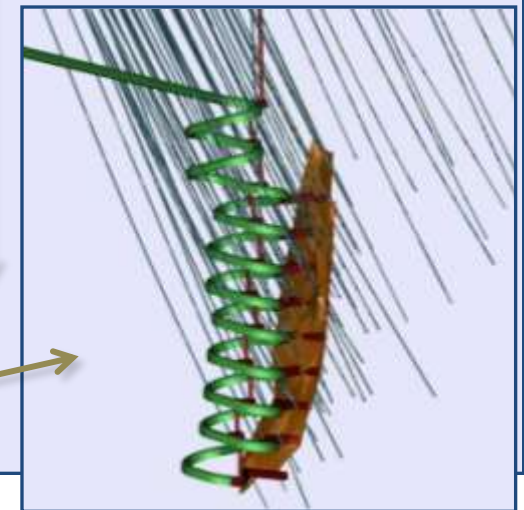
150m

Tot Dev  
2100m

COSE Orebody  
D-Holes and Design



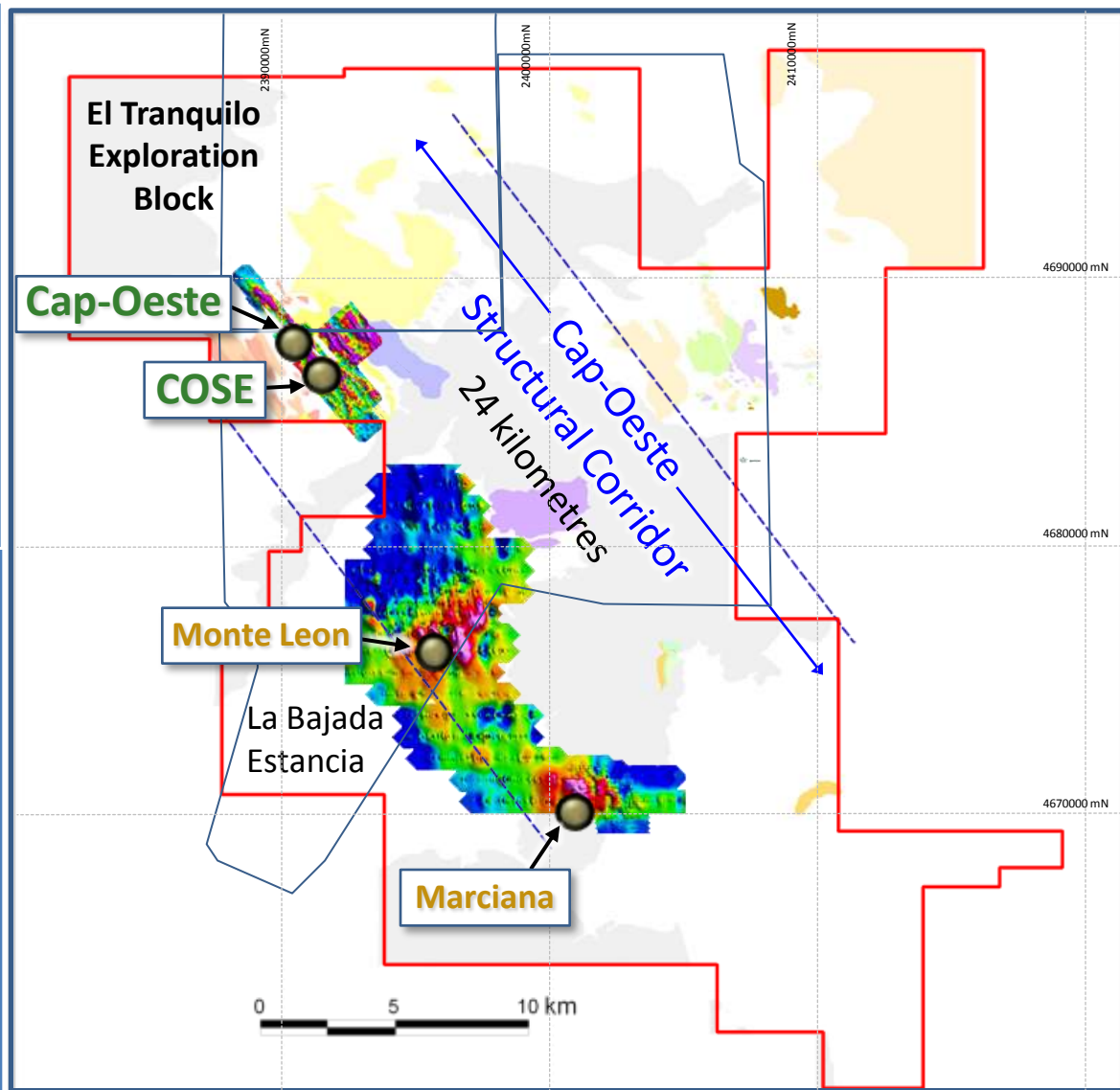
Decline Cross-Section



# Cap-Oeste Structural Corridor



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# Monte Leon & La Marciana Prospects

## MONTE LEON PROSPECT

- ▶ 11 km from Cap-Oeste
- ▶ Identified in 2010
- ▶ Exploration: 16 trenches, additional geophysics IP
- ▶ 7,000 M diamond drilling completed; results encouraging
- ▶ Further 3,000 M drilling planned for completion by Q4 2012

## LA MARCIANA PROSPECT

- ▶ 20 km from Cap-Oeste
- ▶ Exploration: mapping, sampling, IP covering 6 sq km



# Monte Leon: Selected Results

Hole No.	From	Interval	Grade	Grade	Grade
	metres	metres	Au g/t	Ag g/t	Au Eq g/t
MLN-004-D*	122.00	1.50	21.20	321	27.2
MLN-004-D	174.00	2.00	2.92	677	15.6
MLN-003-D	31.05	2.15	16.73	16	17.03
MLN-003-D	85.00	7.00	1.44	1018	20.48
MLN-005-D	138.00	3.00	0.81	267	5.80
MLN-014-D	301.20	0.70	80.30	16	80.60
including	301.50	0.15	570.07	47	570.94

▶ 4,000 m drill program testing vein structures along a 500 m strike length has commenced

- As of Oct 24 2011
- \*previously released without AuEq grade
- Gold Equivalent (Au Eq) grade calculated at 53.5:1 Ag: Au ratio

# Lomada de Leiva Project

- ▶ Q2 2011 50,000 tonne trial heap leach pad & processing facility performing satisfactorily
- ▶ Pad expansion to 200,000 tonnes to be completed Q2 2012
- ▶ Gold room scheduled for completion Q2 2012
- ▶ Commencement of full scale HL project scheduled Q3 2012 (Subject to Permitting)



## Resources (oz)

	Gold	Silver	AuEq
INDICATED	161,346	0	161,346
INFERRED	73,725	0	73,725

# Lomada de Leiva Project



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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 for late 2012



## Resources (oz)

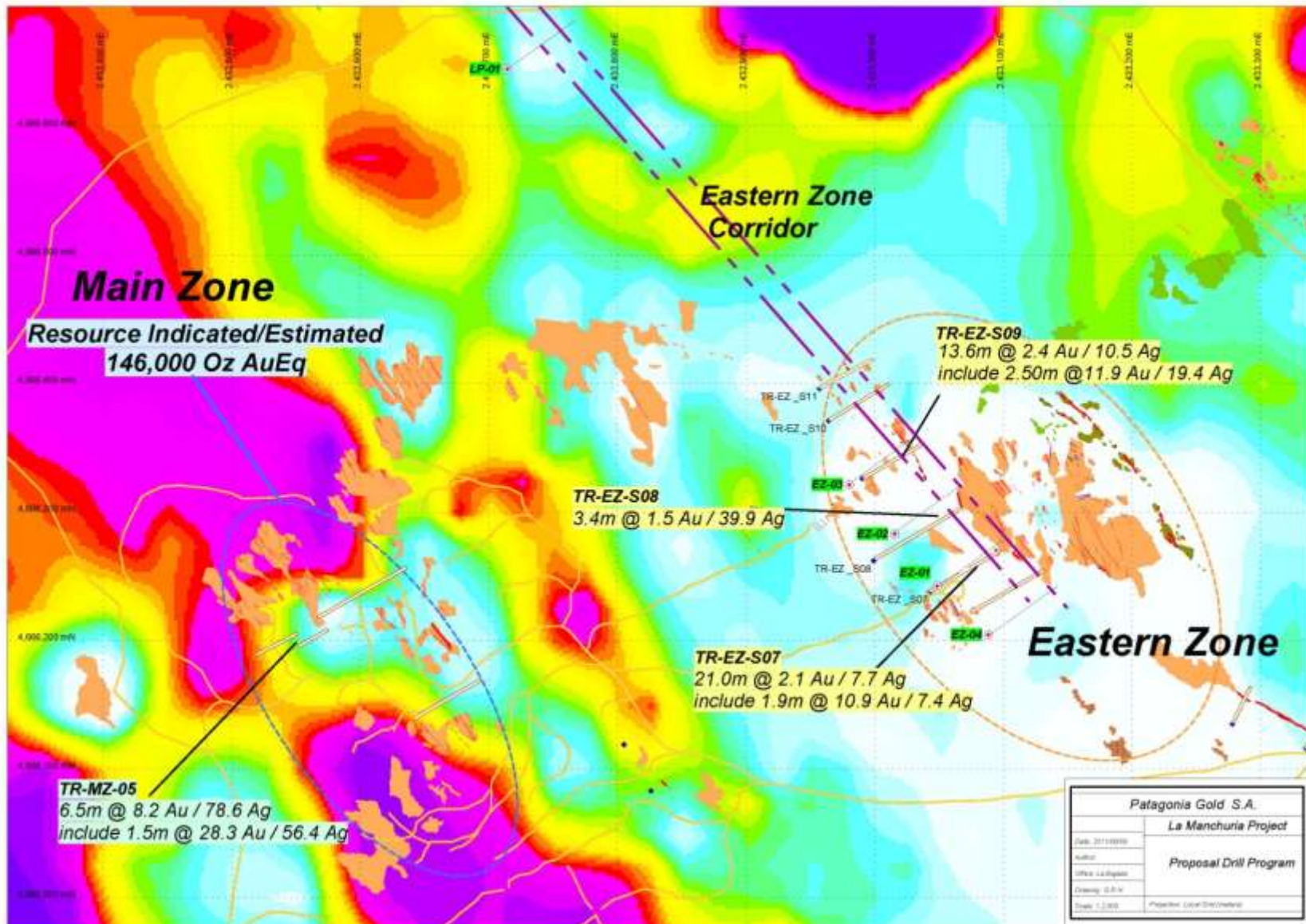
	Gold	Silver	AuEq
INDICATED	40,317	1,848,211	55,684
INFERRED	72,335	2,335,236	90,682

# La Manchuria Project Area

## Geophysical IP Survey Showing Target Zones



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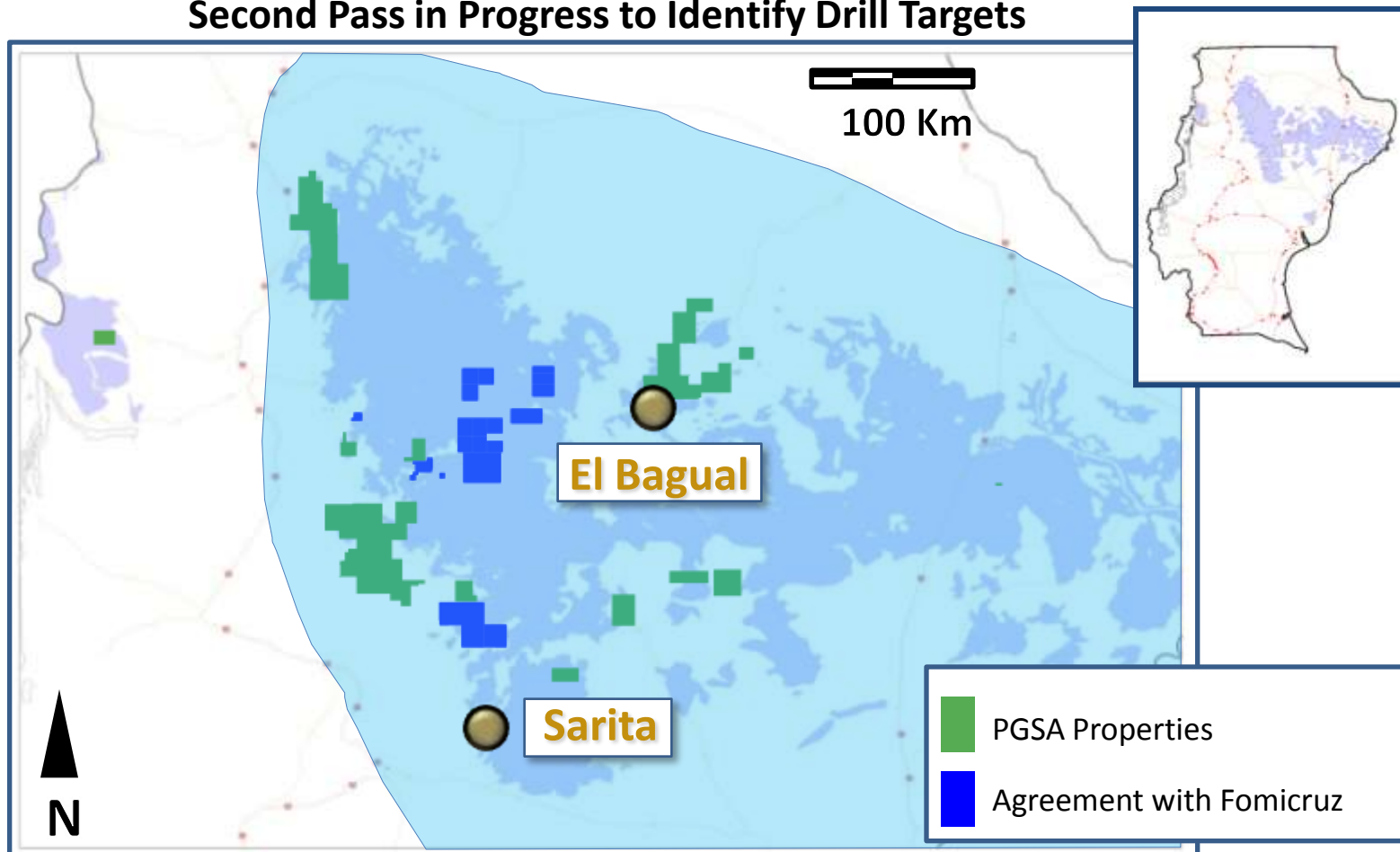
# Other Exploration

**Deseado Massif – 60,000 sq km**



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AIM: PGD

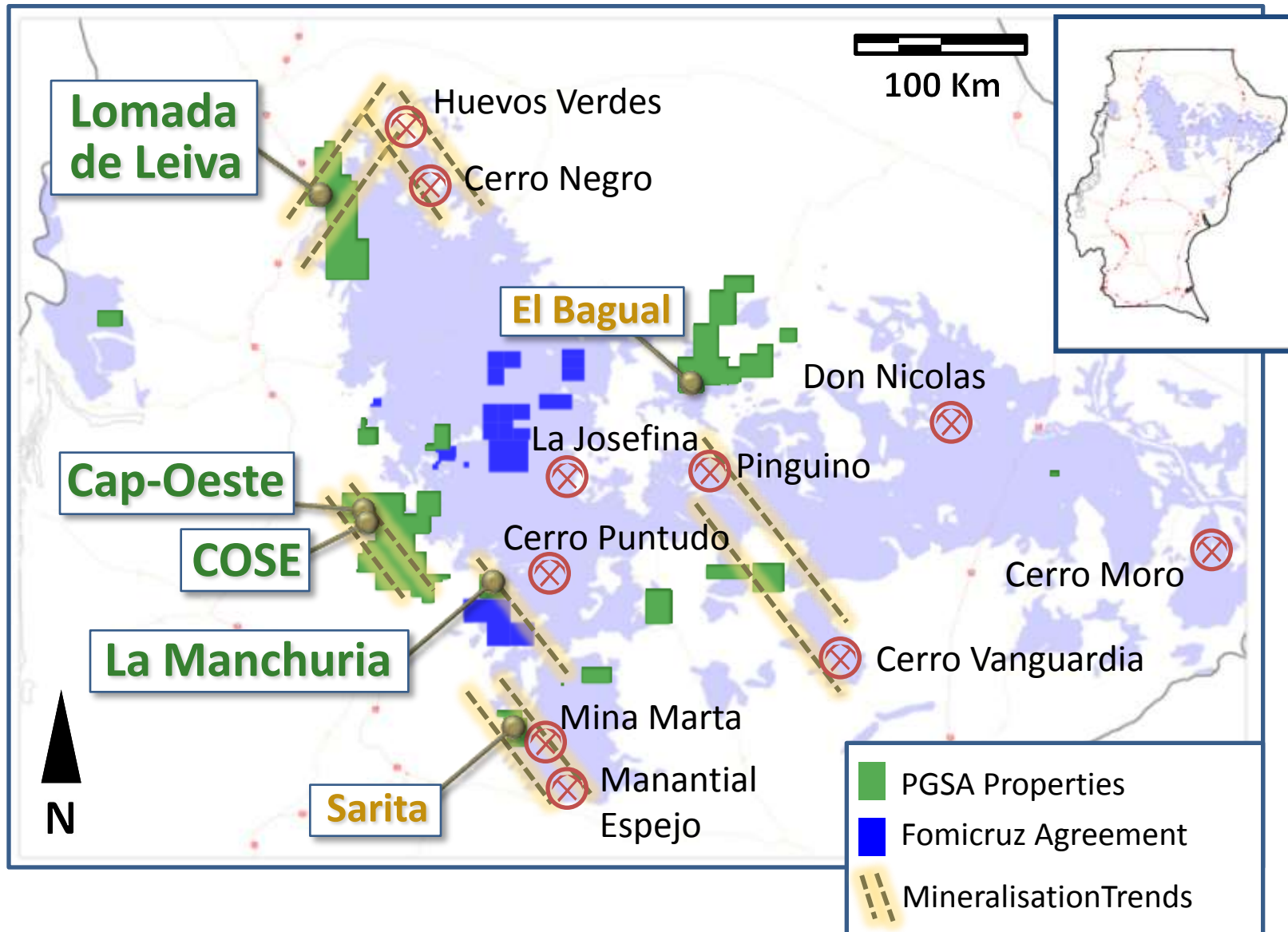
**Second Pass in Progress to Identify Drill Targets**



- ▶ 20 additional exploration property blocks totalling 133,000 hectares
- ▶ Three exploration teams dedicated to advancing claims
- ▶ First pass reconnaissance completed in Q2 2011

# Santa Cruz Province

## Established Mines & Advanced Projects



# 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

## 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

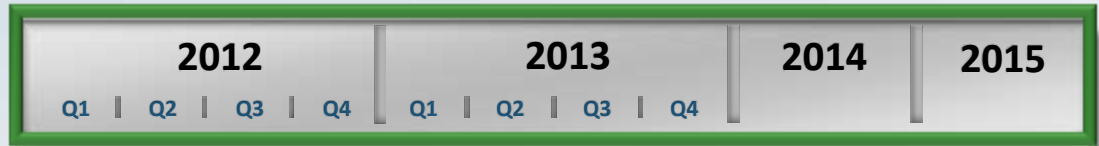
(1) Fomicruz acquired a 10% interest in PGSA in exchange for 100k ha of new prospective mining properties

# Growth Strategy

Advancing a Portfolio of Highly Prospective Assets in Santa Cruz



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## Flagship Project

### Cap-Oeste

- Pre feasibility study
- Full feasibility study
- Permitting, Construction
- Production

## Advancing Near Term Production

### COSE

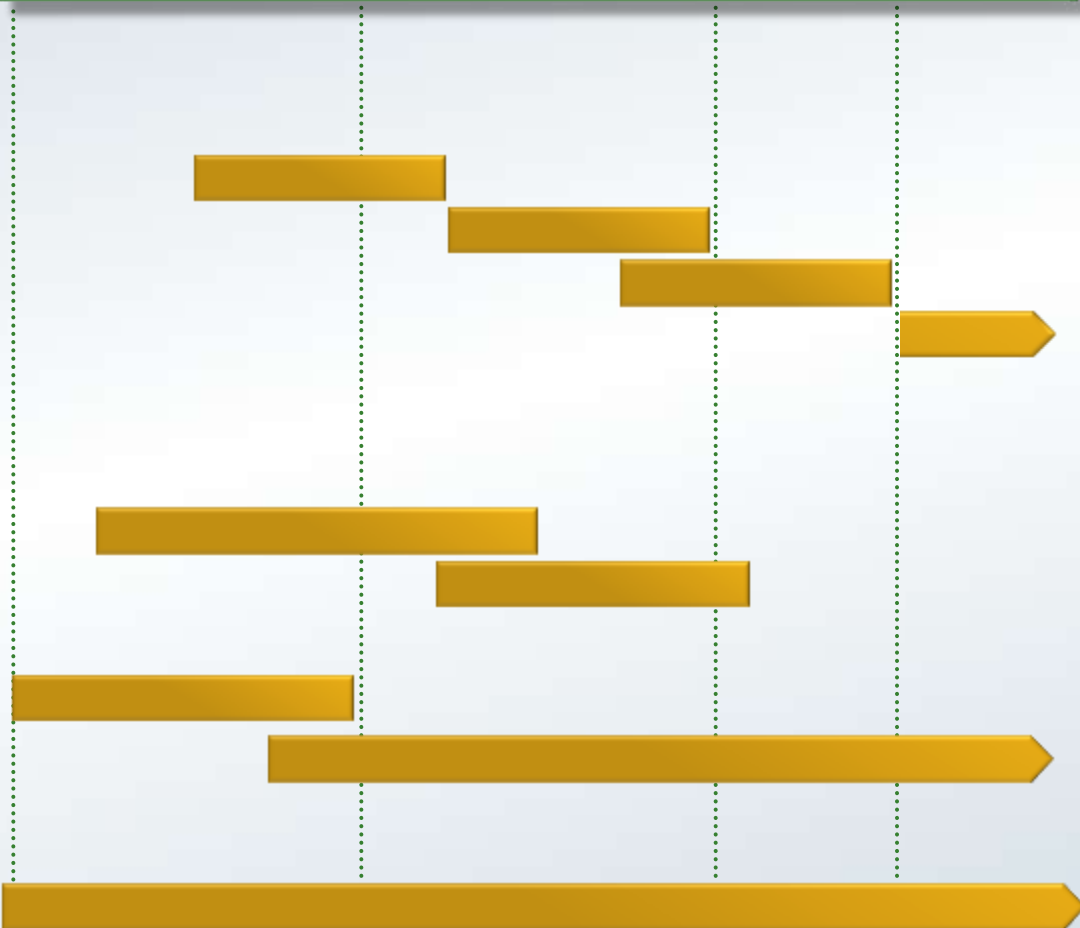
- Construction of decline
- Bulk metallurgical studies & production

### Lomada de Leiva

- Leach pad expansion to 200,000t & production
- Commence main heap leach

## Continued Exploration of Prospects

### Vetas Norte, Monte Leon, La Marciana & Sarita





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**APPENDIX MATERIALS**



### 43-101 Compliant (oz) – 4 Projects

INDICATED		GRADE (g/t)			METAL (Oz)		
PROJECT	Tonnes	Au	Ag	AuEq	Au	Ag	AuEq
Cap-Oeste	8,182,948	2.28	74.71	3.68	599,570	19,656,004	966,972
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>841,083</b>	<b>22,786,797</b>	<b>1,247,837</b>
INFERRED		GRADE (g/t)			METAL (Oz)		
PROJECT	Tonnes	Au	Ag	AuEq	Au	Ag	AuEq
Cap-Oeste	2,420,252	2.01	49.85	2.94	156,465	3,878,940	228,968
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>329,091</b>	<b>7,069,231</b>	<b>435,932</b>

**William H Humphries**  
*CEO*

Director since inception; over 40 years' experience in mining and civil engineering industries; General Manager of Sardinia Gold Mining SpA 1996 to 1998; Managing Director of Brancote Holdings PLC from January 1999 until its acquisition in 2002; Chairman of Landore Resources Limited.

**Philip C Yee**  
*CFO*

CFO since May 2011; Director, Finance for Centerra Gold Inc. (mining company) from November 2010 to May 2011; Vice President, Finance for Kumtor Gold Mine in Kyrgyz Republic from June 2001 to October 2010; A Canadian CA with over 25 years experience in financial management and over 10 years experience in mining.

**Matthew Boyes**  
*COO*

COO since July 2011; BSC. Geology and Fellow AusIMM with over 16 years of mining experience. Development Manager for PGSA from Sept 2010 - July 2011. Mineral resources manager for Oriol Resources Plc and Orsu Minerals in London from 2006 – 2010. Started career in Western Australia in underground gold mining before moving to Europe with Gold Mines of Sardinia.

# Board of Directors

## Appendix C

<b>Sir John Craven</b> <i>Non-Exec. Chairman</i>	Joined Board in 2004; Retired Non-Executive Chairman of Lonmin plc, and former Chairman of Morgan Grenfell plc.; member Board of Managing Directors of the Deutsche Bank Group; Director of a number of other companies.
<b>Carlos J Miguens</b> <i>Non-Exec. Deputy Chairman</i>	Extensive business experience in Latin America; President for 11 years of Cerveceria & Malteria Quilmes; Vice President of Central Puerto SA and Hidroelectrica Piedra del Aguila SA; Director of a number of other companies; Director of PGSA since inception.
<b>William H Humphries</b> <i>Managing Director</i>	Director since inception; over 40 years' experience in mining and civil engineering industries; General Manager of Sardinia Gold Mining SpA 1996 to 1998; Managing Director of Brancote Holdings PLC from January 1999 until its acquisition in 2002; Chairman of Landore Resources Limited.
<b>Gonzalo Tanoira</b> <i>Finance Director</i>	Director of Patagonia Gold Plc since inception; Director and member of the audit committee of SA San Miguel and President of the Board of Directors of a number of other companies; worked for Bear Stearns & Co. (New York) in investment banking division for Latin America; associate at Booz Allen & Hamilton in its Buenos Aires office. Holds an MBA from the Wharton School of the University of Pennsylvania.



# Board of Directors (cont'd)

## Appendix C



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<p><b>Marc J Sale</b> <i>Technical Director</i></p>	<p>Fellow of the Australian Institute of Mining and Metallurgy and Australian Institute of Geoscientists with over 25 years' experience in mineral exploration and development companies; managed operations of PGSA from May 2002 to June 2005; former Project Manager for Brancote Holdings PLC's Esquel Gold and Silver Project in Argentina.</p>
<p><b>Edward J Badida</b> <i>Non-Executive Director</i></p>	<p>A Canadian CA with 40+ years of financial management &amp; corporate governance experience. Currently CFO of Temex Resources Corp. and Escape Gold Inc., both TSX-V listed. Served as CFO and/or has been a board member of 10 other companies listed on either the TSX or the TSX-V over the past 10 years. Also held management positions at accounting firms PricewaterhouseCoopers and KPMG.</p>
<p><b>Gary Sugar</b> <i>Non-Executive Director</i></p>	<p>Investment banker; retired this year as Managing Director of RBC Capital Markets, where he worked since 1979. Specialized in mining sector, particularly M&amp;A, debt &amp; equity financings, IPO's and corporate banking relationships. Experienced across a broad range of commodities &amp; geographic regions, particularly in corporate development, valuation and M&amp;A transactions.</p>



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