



PATAGONIA  
GOLD PLC  
AIM:PGD



PATAGONIA  
GOLD PLC

INTERIM RESULTS  
SEPTEMBER 2016  
AIM:PGD

*Delivering growth through expansion  
and exploration*



# DISCLAIMER

The information contained in these slides has been prepared by Patagonia Gold Plc ("the Company"). The information in these slides is subject to updating, completion, revision, further verification and amendment without notice.

These slides have not been approved by the United Kingdom Listing Authority under the Prospectus Rules (made under Part VI of the Financial Services and Markets Act 2000 ("FSMA")) or otherwise, or by the London Stock Exchange plc. These slides do not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall they or any part of them form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever. No reliance may be placed for any purpose whatsoever on the information or opinions contained in these slides or the presentation or on the completeness, accuracy or fairness thereof.

No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company or its directors, officers, partners, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in these slides or the presentation and no responsibility or liability is accepted by any of them for any such information or opinions or for any errors, omissions, misstatements, negligence or otherwise for any other communication written or otherwise. In addition, in issuing these slides, the Company undertakes no obligation to update or to correct any inaccuracies which may become apparent in these slides. Notwithstanding the aforesaid, nothing in this paragraph shall exclude liability for any undertaking, representation, warranty or other assurance made fraudulently.

The statements contained in these slides and the presentation may include "forward looking statements" that express expectations of future events or results. All statements based on future expectations rather than on historical facts are forward looking statements that involve a number of risks and uncertainties and the Company cannot give assurance that such statements will prove to be correct. Any forward looking statements made by or on behalf of the Company speak only as of the date they are made. The Company gives no undertaking to update forward looking statements to reflect any changes in expectations, events, conditions or circumstances upon which such statements are made.

These slides are for distribution in or from the UK only to persons authorised or exempted within the meaning of FSMA or any order made thereunder or to those persons to whom these slides may be lawfully distributed pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("Financial Promotion Order") as amended: including investment professionals as defined in article 19(5), high net worth entities as defined in article 49(2) of the Financial Promotion Order and members of the Company. Persons who do not fall within any of these definitions should not rely on these slides nor take any action upon them, but should return them immediately to the Company.

The presentation should not be considered a recommendation by the Company or its directors, officers, employees, agents or advisers in connection with any purchase of or subscription for securities of the Company.

These slides should not be copied or distributed by recipients and, in particular, should not be distributed by any means including electronic transmission, to persons with addresses in the United States of America, Canada, Australia, Republic of Ireland, South Africa or Japan their possessions or territories or to any citizens thereof, or to any corporation, partnership or such entity created or organised under the laws thereof. Any such distribution contrary to the above could result in a violation of the laws of such countries.

These slides are confidential and are being supplied to you solely for your information and may not be reproduced, re-distributed or passed to any other person or published in whole or in part for any purpose. By accepting receipt of this document, you agree to be bound by the limitations and restrictions set out above.

September 2016

# H1 Highlights

- ▶ Revenues of US\$21.6m (H12015:US\$14.0m)
  - ✓ **Increase driven by higher gold price and improved production**
- ▶ Net profit attributable to the Company of US\$2.2m (H12015: net loss of US\$5.8m)
- ▶ Production from Lomada to end of period - 16,889 oz Au (H12015 9,944 oz Au) at cash cost of US\$591/oz (H12015 US\$1,165/oz)
  - ✓ **Irrigation of pad to continue to end of 2016**
  - ✓ **Significant reduction in cash cost**
- ▶ Mining at Lomada ceased at end of May 2016
  - ✓ **Fleet moved to Cap-Oeste**



Lomada Project Site

# H1 Highlights (continued)

- ▶ US\$10 million financing completed in May 2016
  - ✓ **Proceeds used to develop initial open pit mine of Cap-Oeste and for working capital**
- ▶ Development of Cap-Oeste progressing as planned
  - ✓ **Initial open pit mine and heap leach pad completed**
  - ✓ **Commissioned on time and within budget**
  - ✓ **First gold sales expected October 2016**
- ▶ Underground expansion of Cap-Oeste to include COSE being evaluated
  - ✓ **Two properties will be mined as one project**
- ▶ Earn-in agreement completed in January 2016 to acquire 100% of two gold projects in Uruguay from Trilogy Mining Corporation

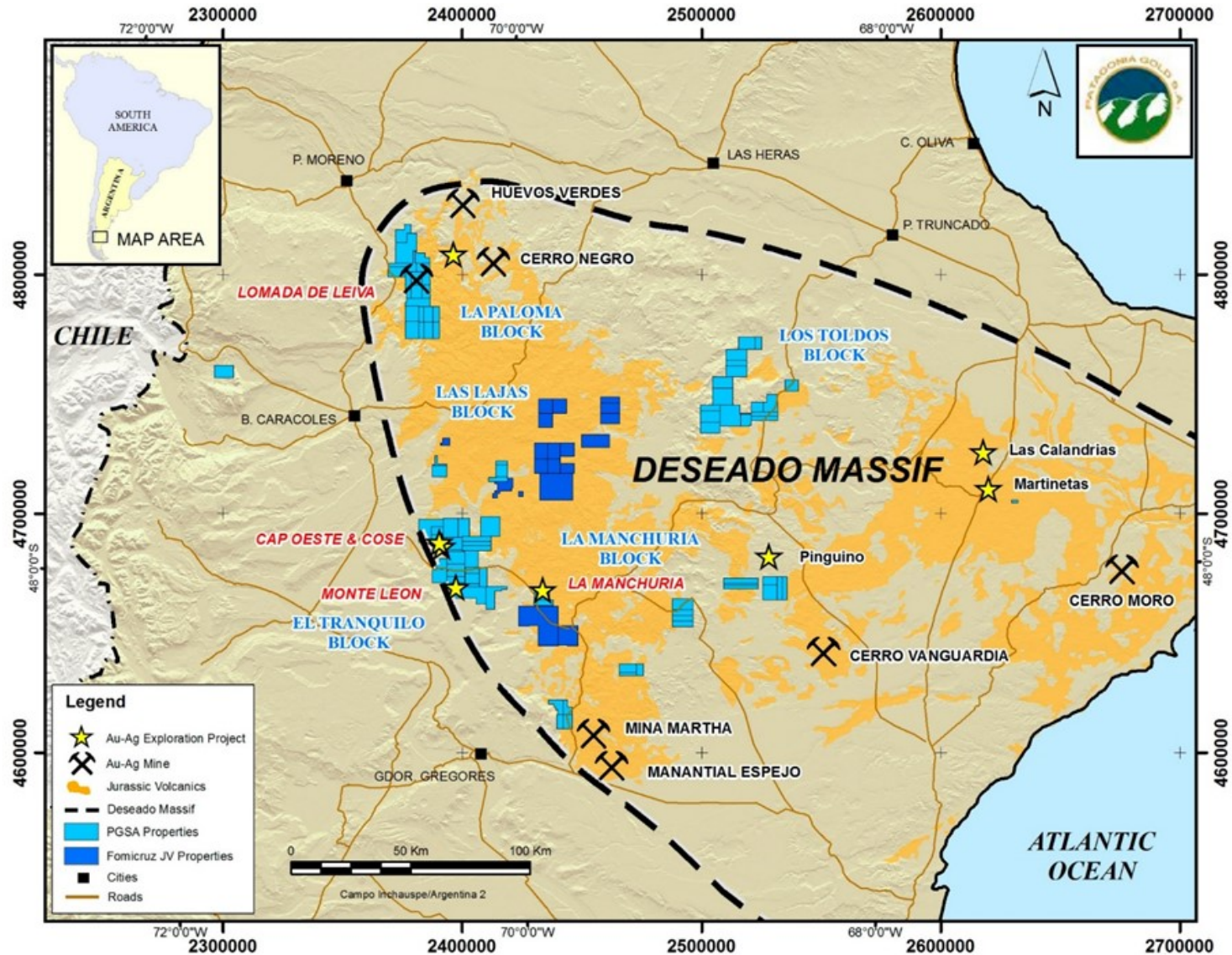


New mining gear at Cap-Oeste

# Focus on the Deseado Massif



PATAGONIA  
GOLD PLC  
AIM:PGD



# Cap-Oeste – Open Pit Mine

- ▶ Construction completed of initial open pit mine and heap leach pad
  - ✓ **Within US\$13.3m budget**
- ▶ All equipment purchased and delivered to site



First ore irrigation



First ore loaded at Cap-Oeste HL Pad

- ▶ Ore now being irrigated
  - ✓ **First gold sales expected in October 2016**

# Cap-Oeste – Open Pit Mine

- ▶ Life of mine 24 months and targeting 82,000oz AuEq
  - ✓ Options for underground mine at Cap-Oeste and COSE being evaluated - increase life of mine to six years
- ▶ Projected cash costs of US\$800 - 850/oz



Completed blasting magazine at Cap-Oeste

# Projects Update

- ▶ **La Manchuria:** JV partner currently being sought to help realise value through profit share and exploration potential
- ▶ **La Paloma:** Trenching and RAB drilling completed over geophysical targets Cerro Vasco and Breccia Emilia. RC drilling scheduled before year end
- ▶ **El Tranquilo:** RC drilling to test oxide potential at Monte Leon to commence early October
- ▶ **Rio Negro & Chubut Provinces:** Detailed review of all projects to rationalise tenure on prospectivity and potential future mining activity



Prior RC drilling at Monte Leon

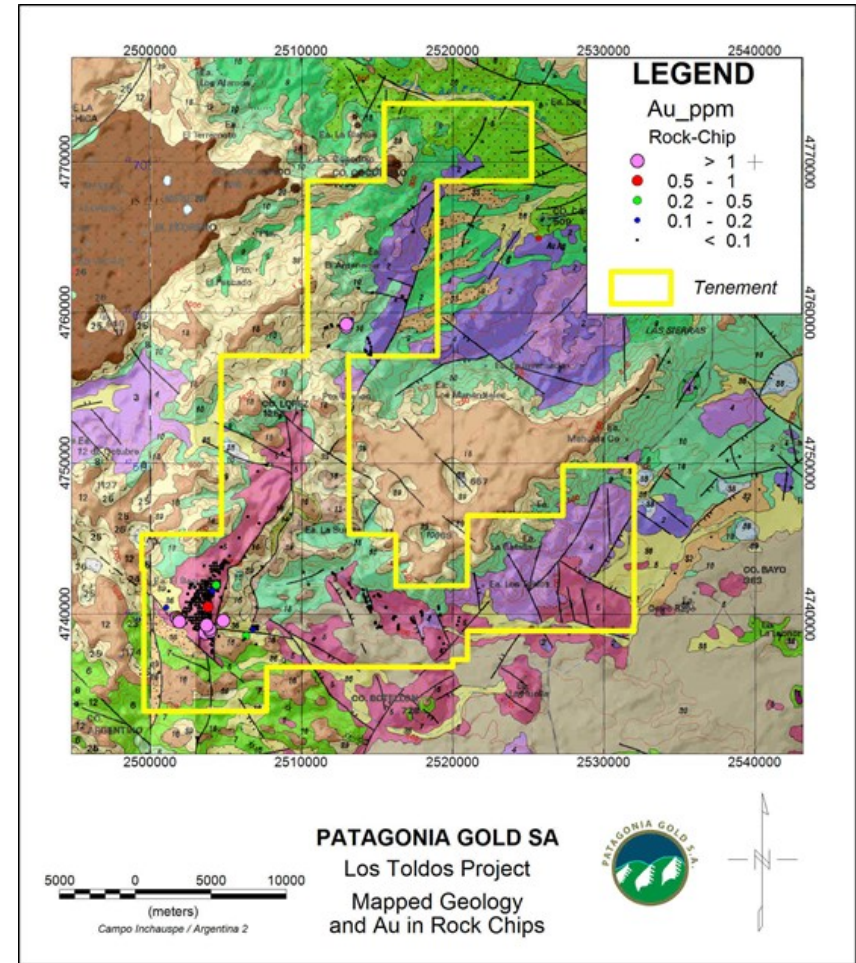
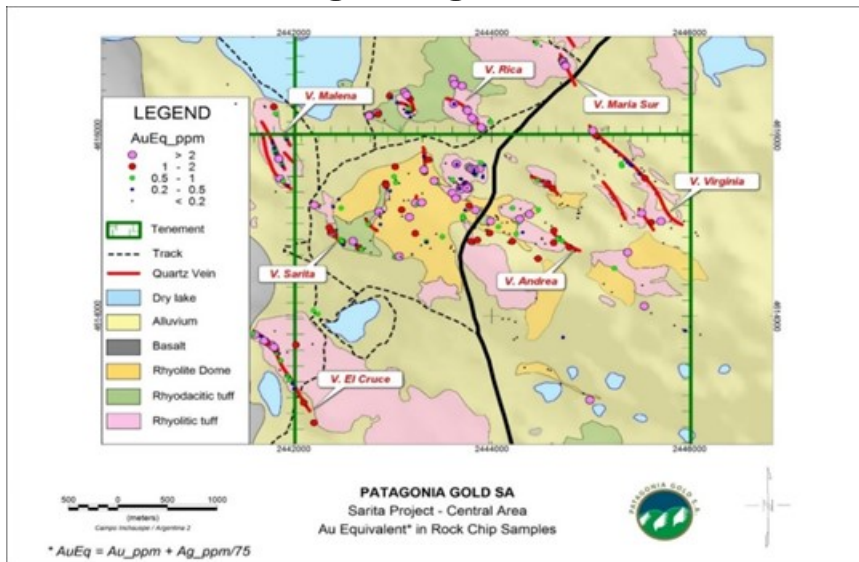


# Exploration Update



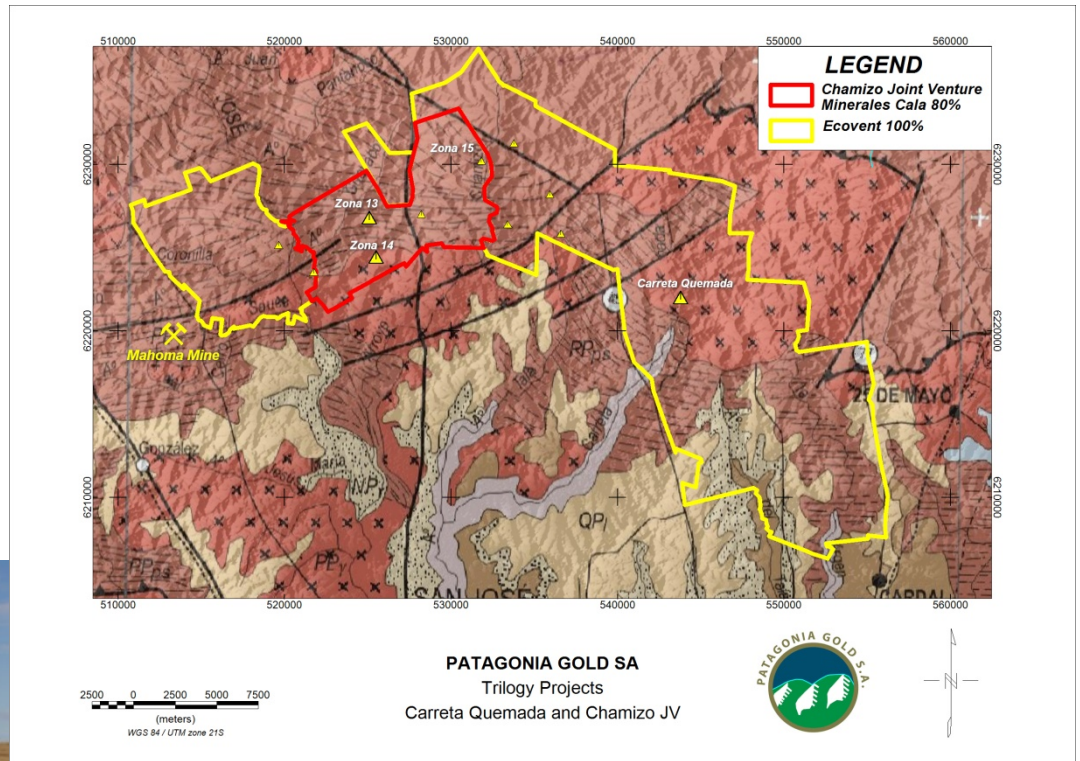
PATAGONIA  
GOLD PLC  
AIM:PGD

- ▶ **Sarita:** Pole-Dipole geophysical programme to start early October prior to designing diamond drilling programme to follow up numerous targets developed at surface
- ▶ **Los Toldos:** El Bagual. 4 hole diamond drilling programme to start in Nov to follow up Barrick first round exploration and test new geological model



# Exploration Update - Uruguay

- ▶ **San José Gold Project** Geological mapping, geophysical and geochemical surveys undertaken at the Zona 13, 14, 15, and Carreta Quemada projects. Trenching and a 9 hole drilling programme completed at Zona 13, with assay results anticipated during October



- ▶ Applications lodged for new project area in the Nueva Helvecia area, 50km west of Chamizo

## Management

- ▶ **Christopher van Tienhoven** – CEO – BSE in Economics, University of Pennsylvania. Appointed 21 April 2015. Close to 25 years experience in the mining industry primarily with the Anglo American Group and more recently with junior mining companies including Andean Resources.
- ▶ **Matthew Boyes** – COO – BSC. Geology and Fellow AusIMM with 18+ years of mining experience. Previously Resource Manager at Oriel Resources Plc and Orso Minerals.
- ▶ **Cristian Lopez Saubidet** - Interim CFO - 18 years experience in Finance and Strategy. Involved with Patagonia Gold since 2008, as Vice President of Patagonia Gold S.A. and other subsidiaries. Previously with HSBC and McKinsey & Co. Holds an MBA from the Anderson School at UCLA and a degree in Industrial Engineering from the Instituto Tecnológico de Buenos Aires.

## 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.
- ▶ **Christopher van Tienhoven** – CEO
- ▶ **Gonzalo Tanoira** – Finance Director – Previously an investment banker at Bear Stearns with coverage of Latin America and Director of multiple companies in Argentina.
- ▶ **Manuel De Prado** – Non-Exec. Director – BA in Economics and Business Administration with 25+ years of experience in the Spanish financial services sector. Previously head of Chase Manhattan S.G.I.I.C., and more recently a Director of Oquendo Corporate S.L.

# Corporate Snapshot

## Overview <sup>1</sup>

Exchange	AIM:PGD
Share price (GB pence)	2.18
Shares outstanding	1,587,749,605
Options	94,958,000
Warrants	24,705,000
Fully diluted	1,707,412,605
Market capitalisation (GBP million)	34.61

## Major shareholders

Holder	% Holding
Carlos J. Miguens	37.30
Arconas Int'l Ltd	5.30


<sup>1</sup> As at 27<sup>th</sup> September 2016

<sup>2</sup> As at 24<sup>th</sup> May 2016

## Share price graph



## Research Coverage <sup>2</sup>

Company	Analyst	Rec.	Target Price
	Asa Bridle	Buy	3.00 p

For further information please contact:

Christopher van Tienhoven – CEO

Tel: +54 11 5278 6950

Email: [cvantienhoven@patagoniagold.com](mailto:cvantienhoven@patagoniagold.com)