



Patagonia Gold PLC : Drilling Update

Released : 23.04.2008

Patagonia Gold PLC
23 April 2008

PATAGONIA GOLD PLC
Trading Symbol PGD.L

DRILLING UPDATE
LA MANCHURIA 'MAIN ZONE' GOLD-SILVER PROJECT

Highlights:

- Drilling on the 'Main Zone' gold-silver project, located on the La Manchuria property, continues to intersect high grade gold with bonanza silver, including 1.20 metres at 58.90g/t gold and 4,150g/t silver in drill-hole LM-015-D.

La Manchuria property

The La Manchuria property, 100% owned by PGD, consisting of 5 expedientes (mining concessions) covering 5,575 hectares, is located approximately 50 kilometres to the east of the Cap-Oeste project in the Santa Cruz province of Argentina and contains the 'Main Zone' gold-silver project.

'Main Zone' Gold-silver project

In February-March 2008 PGD completed a diamond drilling campaign, consisting of 20 holes for a total of 3,980 metres, on the 'Main Zone' gold-silver project, designed to infill and twin historic drill holes as well as expand the area of mineralization and in order to plan a resource oriented drill program for the second half of this year.

Drilling results received to date include:

Drill Hole No.	From Metres	Interval metres	Gold g/t	Silver g/t
LM-010-D	262.0	5.30	6.10	10.15
including	262.7	0.70	14.25	64.10
including	266.5	1.50	14.85	3.90
LM-011-D	71.3	0.80	13.80	38.70
and	94.4	0.55	12.35	2220.00
and	172.5	0.50	5.82	1980.00
LM-012-D	135.1	0.50	13.85	26.20
and	192.6	0.55	7.79	4920.00
LM-014-D	103.8	1.20	10.30	735.00
LM-015-D	60.70	1.00	20.10	23.30
and	95.25	1.20	58.90	4150.00

Drilling of the 'Main Zone' has confirmed and extended the high-grade gold and silver mineralization 300m to the south and the zone remains open but obscured by post-mineral cover.

Interpretation of geophysics over the Main Zone and to the south clearly shows the structure extending south for over 2,000 metres. Rock chips and soil sampling of the cover has returned results highly anomalous in path finder element.

Mineralization is associated with a low to intermediate sulphidation epithermal quartz-adularia vein system. Veins are characteristically narrow, on average less than 1 metre, but contain bonanza grades of both gold and silver. Vein mineralization is strongly structurally controlled with a preferential NW strike to the vein swarms and densely sheeted zones. The host rock is a sequence of rhyolitic tuffs underlain by andesite.

Lomada de Leiva Project

Work is in progress on the National Instrument (NI) 43-101 compliant Scoping Study on the Lomada de Leiva Project, located on the La Paloma Property, and is expected to be completed in the near future.

Mean while, a new drilling campaign has commenced on Lomada de Leiva and the adjacent Breccia Sofia prospect to explore anomalies identified by geophysics earlier this year and to carry out drilling recommended from the Scoping study.

Cap-Oeste Project

Drilling on the Cap-Oeste mineralized structure, located on the El Tranquilo property, continues with 87 drill holes completed to date including a step back to the bonanza grades reported in drill hole CO-54-D. Results are pending and will be released in due course.

Marc Sale, (BSC. Geology, Fellow AusIMM, member AIG) a Director and consultant to Patagonia Gold Plc and a qualified person as defined in National Instrument 43-101, has reviewed and verified all scientific or technical mining disclosure contained in this press release.

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 Partners Ltd Tel: +44(0)20 7409 3494	Alastair Stratton / Tim Graham Matrix Corporate Capital LLP Tel: +44(0)20 7925 3234 / +44(0)20 7925 7852

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