

Patagonia Gold PLC : Drilling Report

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Patagonia Gold PLC

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PATAGONIA GOLD PLC

DRILLING UPDATE LA MANCHURIAGOLD-SILVER PROJECT SANTA CRUZ PROVINCE, ARGENTINA

Highlights:

- Results from the recently completed drilling campaign on the Main zone of La Manchuria has confirmed the continuity of high grade gold and silver mineralization along 400 metres of strike length. The Main Zone remains open along strike to the North and South and at depth
- Results include 0.5 metre at 145.00 grams per tonne (g/t) gold and 28,207 g/t silver and 0.90 metre at 111.00 g/t gold and 896g/t silver in drill-hole LM-093A.

Results from the infill campaign not previously reported include:

Hole No.	From	Interval	Grade	Grade
	metres	metres	Au g/t	Ag g/t
LM-081-D	71.20	1.50	23.73	1280
<i>including</i>	71.70	1.00	32.80	540
LM-082-D	44.45	1.05	12.80	9.40
LM-083-D	72.15	.075	7.68	55
<i>and</i>	84.35	0.50	18.05	8960
LM-084-D	53.60	3.40	4.05	615
<i>including</i>	55.80	1.10	9.68	1720
<i>and</i>	73.00	0.50	51.40	300
LM-088A-D	3.15	0.50	17.25	3290
LM-093A-D	122.20	2.80	26.04	5224
<i>including</i>	122.20	0.50	145.00	28207
<i>and</i>	137.55	5.10	25.89	334
<i>including</i>	138.40	0.90	111.00	896
LM-095-D	133.10	0.60	9.55	1570

La Manchuria property:

The La Manchuria property, consisting of 5 expedientes (mining concessions) covering 5,575 hectares, is located approximately 50 kilometres to the south east of PGD's flagship Cap-Oeste Project and contains the Manchuria Main Zone gold-silver project.

Manchuria Main Zone project:

The recently completed HQ core diamond drill programme, consisting of 55 drill-holes from LM-041-D to LM-095-D for 9,754 metres, was designed to infill the pre-existing 50 metre line spaced drilling on a 25 metre x 25 metre grid along 400 metres of strike length to allow a resource estimate to be completed for the Main Zone.

In three drilling campaigns, a total of 95 holes comprising 17,853 metres have been completed by PGD on the Manchuria prospect. These will form the basis of the resource study.

Micon of Toronto, Canada, is currently validating the drill-hole data and undertaking geological and geochemical modeling in order to independently prepare a resource estimate for the Main Zone compliant with Canadian National Instrument 43-101 (NI 43-101).

It is anticipated that the Resource study will be completed in Q3

Geological appraisal of drill-core, as well as the geochemical assays, supports the interpretation of a robust continuous zone of high grade gold and silver mineralisation. The infill drilling has also validated the belief that the veins continue to near-surface confirming the importance of the high grade values in the surface outcrop.

The mineralised 'package', consists of a series of multi-ounce Au-Ag discrete but locally continuous epithermal veins contained within more extensive disseminated mineralization. The infill drilling has also highlighted the presence of many 'master veins' of ~1m width continuous over several 25m sections, which contain bonanza gold and silver grades.

The presence of high grade values in drill hole LM-083-D and LM-093A-D which are in the northern and southern extremes of the known mineralisation indicate a very good potential for further drilling in order to extend the strike of the resource.

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.

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