

## Patagonia Gold PLC : Board Changes / Issue of shares to Directors

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Patagonia Gold PLC

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**Patagonia Gold Plc**  
("Patagonia Gold" or the "Company")

**Board Changes / Issue of shares to Directors**

Patagonia Gold Plc, the mining company with gold and silver projects in the southern Patagonia region of Argentina, Chile and Uruguay, announces changes to its board of directors ("Directors" or the "Board") and the issue of shares to Directors.

**Board Changes**

Patagonia Gold announces that Non-Executive Directors, Ed Badida and Glenn Featherby, have resigned with immediate effect. Mr Badida and Mr Featherby have been Non-Executive Directors of the Company since November 2011 and April 2013 respectively, and the Board has greatly appreciated the experience and support they have both contributed to the development of the Company and we wish them well for the future.

In addition, Gonzalo Tanoira, currently Finance Director, will become a Non-Executive Director with Cristian Lopez Saubidet taking over the financial role as interim Chief Financial Officer. Following these changes, the Board will consist of Christopher van Tienhoven as Chief Executive Officer, Carlos J Miguens as Non-Executive Chairman and Mr Tanoira and Manuel de Prado as Non-Executive Directors.

**Issue of shares to Directors**

Patagonia Gold also announces that application has been made for the admission of, in aggregate, 30,831,216 new ordinary shares of 1p each in the Company ("New Ordinary Shares") to trading on AIM.

30,164,550 New Ordinary Shares have been allotted to Directors in lieu of outstanding cash payments due as remuneration for their services to the Company, accrued from periods ranging from 1 January 2012 to 30 June 2016 amounting to, in aggregate, £589,455. These New Ordinary Shares to Directors have been issued at a price of approximately 1.954p, which represents the 30 day volume weighted average share price of the Company to 30 June 2016.

The Company is currently reviewing the ongoing remuneration of the Board, with a view to aligning the Board with the Company's objectives and preserving cash.

Details of the allocations made and the resulting Directors' shareholdings are as follows.

<i>Name of Director</i>	<i>Period to which remuneration relates</i>	<i>No. of New Ordinary Shares issued in lieu of fees/salary</i>	<i>Holding of shares following issue of New Ordinary Shares</i>	<i>% of Enlarged Issued Share Capital</i>	<i>No. of options held</i>
Carlos J Miguens <sup>(1)</sup>	1 January 2012 - 31 December 2015	9,697,410	592,240,677	37.30%	24,500,000
Gonzalo Tanoira <sup>(2)</sup>	1 January 2014 - 31 December 2015	5,859,385	17,402,733	1.10%	3,719,000
Manuel de Prado	1 January 2014 - 31 December 2015	3,838,025	4,035,660	0.25%	750,000

Ed Badida	1 January 2012 - 30 June 2016	6,140,840	6,492,192	0.41%	750,000
Glenn Featherby	1 January 2015 - 30 June 2016	2,302,815	6,693,863	0.42%	750,000
Christopher van Tienhoven	1 January 2016 - 30 June 2016	2,326,075	2,329,075	0.15%	10,000,000

Notes:

1. Mr Miguens holds his interest in shares directly in his own name and indirectly through Cantomi Uruguay SA.
2. Mr Tanoira holds his interest in shares directly in his own name and indirectly through Capifox SA.

666,666 New Ordinary Shares have also been allotted to an adviser in lieu of cash fees.

The New Ordinary Shares will rank *pari passu* with the existing ordinary shares and it is expected that admission of the New Ordinary Shares will occur at 8.00 a.m. on 7 July 2016. Following admission of the New Ordinary Shares, the total number of voting rights in the Company's ordinary shares will be 1,587,749,605 (the "Enlarged Issued Share Capital").

The aforementioned figure of 1,587,749,605 ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Patagonia Gold under the Financial Conduct Authority's Disclosure and Transparency Rules.

The tables below set out the interests of Mr Miguens and Mr Tanoira as well as the aggregate interest of the concert party, of which Mr Miguens and Mr Tanoira are members, (the "Concert Party"), following the issue of the New Ordinary Shares to the Directors:

Name	No. of shares interested in following issue of Fee Shares	% of Enlarged Issued Share Capital	No. of options	No. of shares interested in on exercise of individual's options	Max % of enlarged share capital following exercise of individual options <sup>(3)</sup>
Cantomi Uruguay SA <sup>(1)</sup>	578,578,651	36.44%	24,500,000	603,078,651	37.41%
Carlos Miguens	13,662,026	0.86%	-	13,662,026	0.85%
<b>Total for Mr Miguens</b>	<b>592,240,677</b>	<b>37.30%</b>	<b>24,500,000</b>	<b>616,740,677</b>	<b>38.25%</b>
Gonzalo Tanoira	4,832,191	0.30%	-	4,832,191	0.30%
Capifox SA <sup>(2)</sup>	12,570,542	0.79%	3,719,000	16,289,542	1.02%
<b>Total for Mr Tanoira</b>	<b>17,402,733</b>	<b>1.10%</b>	<b>3,719,000</b>	<b>21,121,733</b>	<b>1.33%</b>

Notes:

- (1) Mr Miguens is deemed to be beneficially interested in the Ordinary Shares held by Cantomi.
- (2) Mr Tanoira is deemed to be beneficially interested in the Ordinary Shares held by Capifox.
- (3) Assuming only the relevant options or warrants are exercised by the relevant individual and no other options or warrants are awarded or exercised and no other shares are issued.

Name	No. of shares interested in following issue of Fee Shares	% of Enlarged Issued Share Capital	No. of options/warrants	No. of shares interested in on exercise of individual's options/warrants	Max % of enlarged share capital following exercise of options/warrants held by the Concert Party only <sup>(1)</sup>
<b>Concert Party aggregate interest</b>	<b>726,630,466</b>	<b>45.76%</b>	<b>35,446,237</b>	<b>762,076,703</b>	<b>46.95%</b>

Note:

- (1) Assuming only the options and warrants held by the Concert Party members are exercised in full and no other options or warrants are awarded or exercised and no other shares are issued.

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