



Completion of the Disposal of COSE

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Patagonia Gold PLC

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

Completion of the Disposal of COSE

Patagonia Gold Plc (AIM:PGD), the mining and development company with gold and silver projects in Argentina, Chile and Uruguay, is pleased to announce completion of the disposal of its Cap-Oeste Sur Este project ("COSE") on 31 May 2017 as originally anticipated.

As previously announced on 25 April 2017, the Company agreed to dispose of its COSE deposit, which is located approximately 1km from the Cap-Oeste main orebody (which, as detailed below, the Company continues to own and to mine), to a subsidiary of Pan American Silver Corp. for a total consideration of US\$15 million, of which US\$7.5 million is payable on completion with the remainder being deferred, plus a 1.5% net smelter returns royalty.

Patagonia Gold will use the initial consideration of US\$7.5 million for general working capital purposes and to reduce its net debt position.

The Company will continue to operate the main Cap Oeste project where leaching continues while the installation of the agglomeration circuit to increase current recoveries is underway. The agglomeration circuit is expected to be installed by the end of June with commissioning in early July.

Shareholders are encouraged to register with our mailing list on our webpage: <http://www.patagoniagold.com/investors/subscribe-to-news/> to receive the Company's announcements as and when they are made.

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The information contained within this announcement is deemed by Patagonia Gold to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

About Patagonia Gold

Patagonia Gold Plc is a mining company that seeks to grow shareholder value through exploration, development and production of gold and silver projects in the southern Patagonia region of Argentina. The Company is primarily focused on production at Cap-Oeste and exploration at Sarita, La Manchuria and the earn in agreement in Uruguay. Patagonia Gold, indirectly through its subsidiaries or under option agreements, has mineral rights to over 220 properties in several provinces of Argentina, Chile and Uruguay.

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

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