



Revision to the 2018 Financial Statements

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

Revision to the 2018 Financial Statements

Patagonia Gold, the AIM-listed mining company with gold and silver projects in the Patagonia region of Argentina and in Chile and Uruguay, announces a revision to its Audited Financial Statements for the year ended 31 December 2018 (the "2018 Financial Statements"), which were originally announced on 11 April 2019.

Following publication of the 2018 Financial Statements, the Company's management have identified that a revision is required in relation to the translation of Patagonia Gold's foreign operations, reported within the Consolidated Statement of Comprehensive Income, which has resulted in the loss for the year being overstated by US\$4.87 million. The loss was originally reported as US\$22.46m and the revised loss is US\$17.59m. The translation revision has arisen from an error when accounting for hyperinflation, due to the prevailing high inflation in Argentina, which resulted in the Group having to make adjustments for hyperinflation for the first time in its financial statements.

Within the Consolidated Statement of Comprehensive Income, this overstatement in the loss for the year was offset by the overstatement of profits on translation of foreign operations, such that the total Comprehensive Loss for the year remains unchanged, at US\$10.59 million. There is also no impact on reported net assets or underlying cash flows. The amendment has resulted in an adjustment to net loss per share (originally reported as 0.871p per share, revised to 0.687p per share), and some presentational adjustments to the Consolidated Cash Flow statement, the Statement of Changes in Equity and some notes to the financial statements.

The Company's revised Annual Report and Consolidated Financial Statements for the year ended 31 December 2018, are now available on the Company's website at: <http://www.patagoniagold.com/wp-content/uploads/2019/04/20802-Patagonia-Annual-Report-CL.pdf>

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

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