

## Drill Results Calcatreu Project in Argentina

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

### Drill Results Calcatreu Project in Argentina

Patagonia Gold Plc, the AIM-listed mining company with gold and silver projects in the Patagonia region of Argentina and in Chile and Uruguay, is pleased to announce results from its 2018 exploration drilling programme at its 100% owned Calcatreu gold-silver project in Rio Negro Province, Argentina.

#### Highlights:

- 30 diamond hole, 6,495 metre drill programme completed in December 2018.
- 6 holes cut gold mineralisation with significant intercepts.
- Best intercept was 4.40 m @ 11.86 g/t Au (including 1.40 m @ 34.10 g/t Au) in hole CCT18-674.
- Confirmed existence of hidden, "blind", mineralised structures (Castro Sur Splay and Eastern). Mineralised structures open for expansion along strike to the northeast (Amistad Vein) and at depth (Vein 49).

The Calcatreu project is located on the NW to SE-oriented, regional-scale Gastre Fault System, a highly prospective belt known to host several epithermal Au-Ag deposits. Patagonia Gold has also recently acquired new concessions, totalling more than 48,000 hectares (ha) along this belt in Rio Negro.

The objective of the programme was to identify new areas with potential for the development of additional mineral resources in the immediate vicinity of the Vein 49 / Nelson deposits which host the current mineral resource at Calcatreu. The drill programme was based upon results from the Company's ground induced polarisation/resistivity (IP/Res) and magnetic surveys covering the area between the outcropping veins of Castro Sur and Vein 49.

Results from the 2018 exploration drilling campaign, carried out at Calcatreu, confirmed the existence of blind/covered, mineralised structures suggested by the geophysics. The programme was successful in the discovery of encouraging, new Au and Ag mineralisation on the Castro Sur, Amistad, Eastern, Vein 49 and Belen W targets. The significant intercepts from the new drilling are shown in the table set out below.

Analytical results and drill intercepts, Calcatreu Project, Argentina

Core Hole ID	Mineralized Intercept (meters)			Mineralization (g/t)		Location
	From	To	Drill Length (*)	Au	Ag	
CCT18-674	42	46.4	4.4	11.86	11.12	Castro Sur
<i>incl</i>	42	43.4	1.4	34.1	28.4	Castro Sur
<i>incl</i>	43.4	44.5	1.1	2.77	1.6	Castro Sur
CCT18-675	127.5	128	0.5	5.97	14.6	Castro Sur Splay
CCT18-687	47.55	48.5	0.95	2.85	11.51	Amistad
CCT18-691	152.6	153.2	0.6	1.29	8	Belen
	173.8	174.8	1	0.03	1,027.00	Belen
CCT18-695	144.1	146.62	2.52	1.56	8.05	Vein 49
	157.06	159.05	1.99	1.93	11.85	Vein 49

CCT18-696	153.8	154.3	0.5	0.93	23.2	Belen W
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(\*) True widths are not yet known

As announced on 26 March 2018, Calcatreu has a JORC-43-101 compliant resource estimate of 1.17 Moz AuEq. Accordingly, the Board believes that the project is sufficiently large to potentially justify a standalone operation. The Company will be updating the resource based on the latest drilling results. In addition, the Company intends to commence a Feasibility Study, subject to financing, to update the previous study prepared by Snowden in 2007 when the project belonged to Aquiline Resources.

Christopher van Tienhoven, CEO of Patagonia Gold, commented on the drill results: *"The results obtained from this maiden, but limited, drill campaign at Calcatreu are encouraging and we look forward to the prospect of commencing a Feasibility Study during 2019.*

#### Qualified Person's Statement

The scientific and technical information herein was reviewed by Dr. Walter Soechting, PGeo. Dr. Soechting is a geologist with over twenty-five years of experience in exploration for precious metal mineral deposits. Dr Soechting has experience in the type of deposit under consideration and in the type of activity conducted, and is a 'Qualified Person' as defined by NI 43-101. Dr. Soechting consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

The analyses of the drilling samples reported herein were performed by Alex Stewart Laboratories, which is an ISO 9001/IEC17025 and ISO14001 certified, commercial laboratory. Patagonia Gold's quality assurance-quality control programme (QAQC) includes systematic insertion of blanks, standard reference material and duplicates to ensure laboratory accuracy.

#### **About Patagonia Gold**

Patagonia Gold Plc is an AIM-listed mining company that seeks to grow shareholder value through exploration, development and production of gold and silver projects in the Patagonia region of Argentina. The Company is primarily focused on the Calcatreu project in Rio Negro. In addition, it is carrying out exploration in Manchuria and Sarita in Argentina and San Jose 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 and is one of the largest landholders in the province of Santa Cruz, Argentina.

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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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