

Patagonia Gold PLC

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Patagonia Gold's La Manchuria resource takes Santa Cruz projects beyond 1Moz marker

Patagonia Gold (LON:PGD) has now defined 146,366 gold equivalent ounces (AuEq) at the La Manchuria gold and silver deposit, Santa Cruz Province in southern Argentina.

A new NI43-101 resource estimate for the project has 55,684oz AuEq in the Indicated category and 90,682oz AuEq in the Inferred. Furthermore, the deposit has an estimated 'uncapped' 239,609oz AuEq resource. The company emphasised that La Manchuria remains open both to the North and South, as well as at depth.

Patagonia Gold has now delineated NI43-101 compliant resources totaling 1,037,366oz AuEq across its three main projects in Santa Cruz - Manchuria, Lomada and Cap-Oeste. This has been achieved in just three years.

At La Manchuria, the NI43-101 Indicated resource now stands at 425,705 tonnes grading 2.95 grams per tonne (g/t) gold and 135g/t silver (AuEq 4.07g/t), for 40,317oz of gold and 1.8 million ounces (Moz) of silver.

In the Inferred resource category, there are 1.46 million tonnes (Mt) grading 1.53g/t gold and 49.4g/t silver (AuEq 1.92g/t) for 72,335oz of gold and 2.3Moz silver.

The resource estimate was conducted by Micon International, who was also contracted to prepare a supporting NI43-101 technical report. The resource is based on drilling data gathered from three separate programs, conducted between 2008 and February 2010, comprising 104 holes for 17,848 metres.

The company also highlighted the need for more work to better define the high grade mineralisation, and an infill drilling program is currently being planned to get underway in early 2011.

Additionally, across its other projects, Patagonia Gold sees potential to significantly increase resources through infill drilling - most notably on La Manchuria and the COSE deposits.

A total of 32,000 metres of drilling is being planned for the 2010/2011 summer season, to substantially increase the mineral resources and to explore the highly prospective areas surrounding them.

Drilling got underway at the COSE - Cap Oeste South East - prospect earlier this month, with 24 diamond drill holes, for a combined 7,000 metres, slated for completion in Q1 2011.

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Market Cap: 0

1 Year Share Price Graph



Share Information

Code: PGD

Listing: AIM

Sector: Gold & silver

Website: www.patagoniagold.com

Company Synopsis:

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 headquartered in London, England with subsidiary offices in Buenos Aires. Patagonia Gold is traded in the ISDX Exchange [HERE](#).

action@proactiveinvestors.com

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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