Patagonia Gold Reports Updated La Manchuria Project Mineral Resources and New Technical Report

01.10.2019 | GlobeNewswire

VANCOUVER, Oct. 01, 2019 – Patagonia Gold Corp. (TSXV: PGDC) is pleased to announce updated mineral resources and an updated National Instrument 43-101 compliant Technical Report (the "TR") for the La Manchuria Gold and Silver Project in Santa Cruz, Argentina.

The new mineral resource estimate and TR were independently prepared, for Patagonia Gold Corp., by Micon International Limited. The report, titled: "UPDATED TECHNICAL REPORT ON THE MINERAL RESOURCES OF THE LA MANCHURIA PROJECT SANTA CRUZ PROVINCE, ARGENTINA", is available on www.sedar.com and is available on Patagonia’s website at www.patagoniagold.com.

The updated mineral resources for the project, as shown in Table 1 below, reflect changes resulting from new drill data and estimation parameters, including metal prices, relative to the 2011 estimate.

Table 1. Updated Mineral Resources for the La Manchuria Gold and Silver Project 1, 7

<table>
<thead>
<tr>
<th>Classification</th>
<th>Tonnes</th>
<th>Average Grade (g/t)</th>
<th>Contained Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Au</td>
<td>Ag</td>
</tr>
<tr>
<td>Indicated</td>
<td>474,000</td>
<td>2.59</td>
<td>129</td>
</tr>
<tr>
<td>Inferred</td>
<td>1,836,000</td>
<td>1.30</td>
<td>40</td>
</tr>
</tbody>
</table>

Notes:
1. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, and other modifying factors.
2. The quantity and grade of reported inferred mineral resources are conceptual in nature and there has been insufficient exploration to define these inferred mineral resources as an indicated mineral resource or measured mineral resource.
3. Tonnes, grades and contained ounces have been rounded to reflect the level of accuracy of the estimate.
4. Mineral resources reported at 0.55 grams per tonne (g/t) gold equivalent (AuEq) cutoff grade. The formula for AuEq calculation is as follows:
   Metal value = Grade x metal price x metallurgical recovery x metric to imperial conversion.
   AuEq. = (Au value + Ag value) / (Au price US$ x 0.032151)
5. Metal Prices: Au = US$1,300 / ounce, Ag = US$18.00 / ounce. Metallurgical recoveries: 95% Au, 60% Ag.
6. Mineral resources are constrained by an optimized open pit shell.
7. The effective date of the estimate is February 28, 2019.

Qualified Person’s Statement

Thomas C. Stubens, P.Eng., a senior geologist with Micon International Limited and independent and a Qualified Person as those terms are defined in NI 43-101, has reviewed and approved the scientific and technical information relating to the updated mineral resource estimate contained in this news release.

About Patagonia Gold
**Patagonia Gold Corp.** is a mining and development company listed on the TSX Venture Exchange. The Company seeks to grow shareholder value through exploration and development of gold and silver projects in the Patagonia region of Argentina. The Company is primarily focused on the Calcatreu project in Rio Negro and the development of the Cap-Oeste underground project. Patagonia, indirectly through its subsidiaries or under option agreements, has mineral rights to over 350 properties in several provinces of Argentina, Chile and Uruguay and is one of the largest landholders in the province of Santa Cruz, Argentina.

For more information, please contact:

Dean Stuart  
T: 403 617 7609  
E: dean@boardmarker.net

Christopher van Tienhoven, Chief Executive Officer  
Patagonia Gold Corp.  
T: +54 11 5278 6950  
E: cvantienhoven@patagoniagold.com

**FORWARD-LOOKING STATEMENTS**

This news release contains certain forward-looking statements, including, but not limited to, statements about the Company’s focus on growing shareholder value and the development of the Cap Oeste underground project and processing at the Mina Martha plant, advancement of the Calcatreu project and the Company’s future plans and intentions. Wherever possible, words such as "may", "will", "could", "anticipate", "believe", "estimate", "predict", "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management’s current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.