

PATAGONIA GOLD PLC

Trading Symbol PGD.L

• NOTIFICATION TO AIM • NOTIFICATION TO AIM • NOTIFICATION TO AIM • NOTIFICATION

1 May 2007

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

Exercise of Options

The Company announces that, following the exercise of a share option, 1,920,506 new ordinary shares of 1 pence each in the capital of the Company were allotted on 30 April 2007, subject to admission.

Application has been made for the admission of 1,920,506 ordinary shares to trading on AIM. The shares will rank pari passu with existing ordinary shares and it is expected that admission will occur at 8.00 a.m. on 8 May 2007.

Following admission of the new shares, the total number of voting rights in the Company's ordinary shares will be 334,393,501, which may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Patagonia Gold under the Financial Service Authority's Disclosure and Transparency Rules.

Name of contact and telephone number for enquiries:

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Registered in England and Wales No.3994744