

NOTICE OF GENERAL MEETING

Patagonia Gold Plc

(incorporated in England and Wales with registered number 3994744)

Notice is hereby given that a General Meeting of the Company will be held at 11.30 a.m., on 10 May 2016 (or, if later, immediately following the annual general meeting of the Company, convened on the same day) at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH to consider and, if thought fit, pass the following resolutions which in the case of resolutions 1 and 2 will be proposed as ordinary resolutions and the case of resolution 3 will be proposed as a special resolution. Resolution 1 will be taken on a poll in accordance with the requirements of the Panel. Only the Independent Shareholders, as described in the Circular, are entitled to vote on Resolution 1.

ORDINARY RESOLUTIONS

1. **THAT** the grant of the waiver by the Panel on Takeovers and Mergers described in the Circular of any requirement under Rule 9 of the City Code on Takeovers and Mergers on the members of the Concert Party (defined and described in the circular to shareholders issued by the Company dated 22 April 2016, containing this Notice of General Meeting (the "Circular")) to make a general offer to the shareholders of the Company as a result of the participation of any member of the Concert Party in the Subscription and the Open Offer (as defined in the Circular) be and is hereby approved.
2. **THAT**, in substitution for any existing authority, the Directors be and they are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the "Act") to exercise all powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any equity securities (within the meaning of Section 560 of the Act) into shares in the Company subject to the following conditions:
 - (a) the maximum aggregate nominal amount of shares to be allotted in connection with the Subscription and the Open Offer (as defined in the Circular) shall be £4,629,629.62; and
 - (b) otherwise than pursuant to paragraph (a) above, the maximum aggregate nominal amount of shares to be allotted shall be £5,076,394.63,

PROVIDED that this authority shall expire on the earlier of 30 June 2017 or the conclusion of the Company's next annual general meeting unless revoked, varied or renewed before such date save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted or rights to subscribe for or to convert any securities into shares in the Company to be granted after such expiry and the Directors may allot shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares and grant rights to subscribe for or convert any securities into shares in the Company but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

3. **THAT**, subject to and conditional upon the passing of Resolution 2 above and in substitution for any existing authority, the Directors be and are hereby generally and unconditionally empowered pursuant to Section 570 of the Act to exercise all powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the general authority conferred by Resolution 2 above as if Section 561(1) of the Act did not apply to any such allotment, provided that such power shall be limited to the allotment of equity securities in respect of:

- (a) the allotment of equity securities for cash in connection with an offer of, or invitation to apply for, equity securities (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and (ii) to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary; and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;
- (b) the allotment of equity securities in connection with the Subscription pursuant to the authority conferred by Resolution 2 (a) above up to a maximum nominal amount of £2,325,378.70; and
- (c) the allotment (otherwise than pursuant to paragraphs (a) and (b) above) of equity securities up to a maximum aggregate nominal amount of £1,522,918.39,

PROVIDED that this authority shall expire on the earlier of 30 June 2017 or the conclusion of the Company's next annual general meeting unless revoked, varied or renewed before such date save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred hereby has expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares and grant rights to subscribe for or convert any securities into shares in the Company but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

Dated: 22 April 2016

Registered Office:
1 Finsbury Circus
London EC2M 7SH

By Order of the Board
Nigel Everest
Company Secretary