

4 May 2010

Matrix raises £13 million for Patagonia Gold plc

Matrix Group's investment banking business today announces that it has raised £13 million for AIM quoted Patagonia Gold plc, the South American focused mining exploration and development company, through a placing and subscription of new ordinary shares in the Company, at a price of 16 pence per ordinary share. Matrix Corporate Capital LLP ("Matrix") is Patagonia Gold's broker and placed the placing shares with new and existing shareholders of the Company at an approximate discount of only 6 per cent. to the closing mid market price of 17 pence on Friday 30 April 2010, being the last business day preceding today's announcement.

Alastair Stratton, Partner of the investment banking business of Matrix Group, commented:

"Matrix is delighted to have acted for Patagonia Gold, a long-standing corporate client, on this successful £13 million fundraising in what are extremely difficult market conditions.

We are especially pleased that there was significant demand by mainly new, "blue chip" institutions to take part, reflecting Patagonia Gold's quality assets, its compelling story and the market's interest in its future as it moves into production."

The proceeds of the fundraising will be used to advance the Company's exploration and development projects in Patagonia, to commence work on a trial heap leach operation at the Lomada de Leiva gold project and for general working capital purposes. On 16 April 2010, the Company announced that the State Secretariat of Mining of the Province of Santa Cruz, Argentina, issued the necessary permit for the proposed trial heap leach operation.

So far this year, Matrix clients including Sable Mining Limited, African Medical Investments Limited, Hurricane Exploration plc, Accsys Technologies plc, ReNeuron Group plc and China Real Estate Opportunities plc have raised or placed more than £180 million.

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Notes to Editors

The investment banking business of Matrix Group is a client focused, advisory, capital raising and securities sales, trading and research firm. We bring together considerable experience, knowledge and access to meet and match the strategic ambitions of growing companies and the performance needs of investing institutions. Matrix has a 90 strong investment banking team advising over 70 retained clients and serving the sales, trading and research needs of more than 140 institutional customers.

The investment banking business of Matrix has significantly increased research coverage with other recent hires in financial services, leisure and drinks which added to a strong team of oil and gas, mining, clean-tech, power and new energy and building materials analysts. Matrix now covers around 90 stocks, balanced between small, mid and large cap.

The investment banking business is part of Matrix Group, one of the largest and most successful privately owned financial services businesses in the UK with over £3 billion of assets under management and more than 230 professionals employed across four divisions: asset management, investment banking, property and specialised finance. Since inception in 1987, Matrix has raised over £9.5 billion of assets for investments across these business areas.