



RNS Number : 1834U
 Scotgold Resources Ltd
 14 October 2014

NON-RENOUNCEABLE RIGHTS ISSUE

Scotgold Resources Limited (ASX: SGZ, AIM: SGZ) (**Company**) is pleased to announce a pro-rata non-renounceable rights issue of fully paid ordinary shares in the capital of the Company (**New Shares**) on the basis of one (1) New Share for every one (1) existing share held at the record date of 22 October 2014 (**Record Date**).

Shares under the Rights Issue will be offered at 0.6 cents per New Share. The maximum number of New Shares which may be issued under the Rights Issue is 568,529,569 to raise approximately \$3,411,177 (before expenses, based on the current capital structure of the Company).

New Shares issued under the Rights Issue will rank equally with existing shares and the Company will apply for official quotation of the New Shares.

Optionholders are not entitled to participate in the Rights Issue without first exercising their options to be registered as a Shareholder on the Record Date, in accordance with the terms and conditions of their options.

An Appendix 3B, a notice under section 708AA(2)(f) of the Corporations Act and an offer document (**Offer Document**) in respect of the Rights Issue will be sent to shareholders in due course and can be found at the Company's website at www.scotgoldresources.com. The Company confirms it is in compliance with its continuous disclosure obligations.

The Offer is fully underwritten by directors Nathaniel le Roux and Alexander Littlejohn. The underwriters' obligations will not arise until after the exhaustion of the Shortfall under the Offer. Full details of the underwriting arrangements and the potential impact on the Company are outlined in the attached Offer Document. Refer to Section 1.9 of the Offer Document for details regarding the terms of the Underwriting Agreement.

The proposed timetable for the Rights Issue is as follows;

Event	Date
Announcement of Rights Issue, Appendix 3B, First Cleansing Notice and Offer Document	13 October 2014
Notice Sent to Security Holders	15 October 2014
Ex Date (date from which securities commence trading without the entitlement to participate in the Rights Issue)	20 October 2014
Record Date (date for determining entitlements of eligible shareholders to participate in the Rights Issue)	22 October 2014
Offer Document Dispatched to Shareholders (expected date of dispatch of offer document, entitlement and acceptance forms)	23 October 2014
Rights Issue Opens	23 October 2014

Closing Date* 5pm (WST)	24 November 2014
New Shares quoted on a deferred settlement basis	25 November 2014
ASX Notified of Undersubscriptions	26 November 2014
Issue Date**	26 November 2014
Second Cleansing Statement lodged with ASX (under section 708A (5))	26 November 2014
Dispatch Holding Statements**	27 November 2014

**Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Securities*

*** Dates are indicative only*

The Company has appointed CPS Capital Pty Ltd as nominee for foreign holders of the Company's securities in those countries outside of Australia, New Zealand and United Kingdom (or who are otherwise Ineligible Shareholders) to arrange the sale of the entitlement which would have been offered to the ineligible foreign holders, details of which are set out in the Offer Document. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale. The proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, and any balance will then be distributed to the relevant Ineligible Shareholders.

The Company intends to apply the funds raised from the Rights Issue as follows;

- a) further debt retirement,
- b) meet costs of the Rights Issue,
- c) ongoing mine development studies at Cononish,
- d) exploration, and;
- e) general working capital

For further information please contact:

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