



RNS Number : 5545U  
Scotgold Resources Ltd  
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**Scotgold  
Resources  
Limited**

**("Scotgold"  
or the  
"Company")**

**Exploration  
Update**

Scotgold is pleased to update the market with regards to its exploration activities on the Cononish Project, ("Cononish") and Grampian Project, ("Grampian") in Scotland.

**Highlights:**

- New zones of interest identified for possible extensions to Cononish orebody
- Potential for the previously identified Beinn Udlaidh prospect (located within close proximity the Cononish Project area) highlighted
- "Ionic leach geochemistry" demonstrated to be a more effective exploration tool to conventional "whole of sample geochemistry"
- Systematic suite of techniques developed to advance "anomalies" through to drill targets

As announced on 26 February 2019, orientation test surveys to evaluate and calibrate various exploration techniques have been undertaken over the known Cononish orebody. Following on from initially promising results, the surveys were expanded and the full findings are now presented.

In particular, the surveys demonstrate that the use of ionic leach\* methods for soil and stream sediment sampling produces higher resolution data, as well as being simpler, faster and more cost effective. Together with Induced Polarisation, ("IP") and Very Low Frequency, ("VLF") /magnetics, the suite of techniques provides the Company with a systematic approach to early stage exploration that will allow for optimal drill hole planning.

More specifically over the test survey area, the ionic leach soil sampling identified new zones of interest for possible extensions to the Cononish orebody. These previously unidentified anomalies are associated off-setting faults and structure in the immediate vicinity and will guide the future drilling campaigns designed to increase the Cononish JORC Compliant mineral resource.

As part of the expansion of the ionic leach stream sediment survey, the drainage area around the known Beinn Udlaidh anomaly was covered. This has highlighted with much greater clarity that this



area (which is significantly larger than the Cononish drainage area) is a prospective gold target. The Company is now planning the follow up soil and IP&VLF/magnetics programs over this area

Further detail on the exploration conducted by the Company is available in the "Summary Report - Conclusions from orientation surveys conducted over Cononish Project Orebody" which is available on the Company's website or accessible by the following link:

[http://www.rns-pdf.londonstockexchange.com/rns/5545U\\_1-2019-3-29.pdf](http://www.rns-pdf.londonstockexchange.com/rns/5545U_1-2019-3-29.pdf)

**Richard Gray, Chief Executive Officer of Scotgold commented:**

*"It is very encouraging that what was in effect a calibration exercise has already identified new targets within the test area over the Cononish deposit and we look forward to what our exploration team can discover using these new techniques over our much larger Grampian Project area in the coming years. The Company's expectation for the Cononish mine to become cash positive in 2020 will accelerate these exploration programs and facilitate our stated strategy of building a pipeline of projects in Scotland."*

\*Ionic Leach™ is a static sodium cyanide leach using the chelating agents ammonium chloride, citric acid and EDTA with the leachant buffered at an alkaline pH (pH 8.5). Samples are digested as collected so there is very little opportunity to lose or introduce elements during the partial leach process. This innovative leach technique is designed for near surface soil samples. It is designed to improve geochemical mapping and enhance the potential to detect and resolve geochemical anomalies for a range of commodity elements

**Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.**

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