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Scotgold Resources Ltd
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SCOTGOLD RESOURCES LIMITED

(The "Company" or "Scotgold")

First Scottish Gold Sale to Jewellery Industry Agreed

Scotgold Resources Ltd is delighted to announce that a sales agreement has been signed with two of Scotland's preeminent manufacturing jewellers. This agreement covers the first refining batch (approximately 16oz) of Scottish Gold made available for jewellery (and only the second refining batch produced to date) from Scotgold's Bulk Processing Trial (BPT) at the Cononish Gold and Silver Mine.

The agreement involves significant input from both Baird & Co, as the appointed refiner and the Edinburgh Assay Office who will verify the Scottish Gold's provenance through a closely monitored chain of custody. Overall management of these negotiations was undertaken by The Dragonfly Initiative as Scotgold's appointed consultant to manage the marketing and commercialization of the company's Scottish Gold.

Whilst all the parties have agreed to keep the precise terms of the sale confidential, the premium received was in excess of the 30% reserve stipulated for the Scottish Gold Rounds, auctioned in November 2016.

In addition to setting out the commercial terms for this first sale to the Scottish jewellery industry, the sales agreement includes detailed conditions for the use and marketing of the Scottish Gold, which are designed to protect the branding of this rare and precious commodity and will form the basis of all such future sales.

Upon delivery of the Scottish Gold and the production of the first unique pieces, the two authorised jewellers will make further announcements as to where and how these pieces can be obtained.

In addition to the production of Scottish Gold, the BPT continues to produce gold in the form of Pyrite concentrate, of which approximately 53 WMT have been shipped and sold under the previously announced agreement with Ocean Partners (November 2016).

Scotgold CEO, Richard Gray said *"This is yet another pleasing milestone and validates our belief in the strength and value of combining Scottish Gold of proven provenance with the skill and prestige of the Scottish jewellery industry"*.

For further information please contact:

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Forward Looking Statement

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.