



SCOTGOLD RESOURCES LIMITED

(The "Company" or "Scotgold")

Update on Exploration Assets in Portugal and France

HIGHLIGHTS

Portugal (Pomar)

- Large kilometric coincident Arsenic / Gold soil anomalies aligned along felsic dykes and associated with old workings
- High grade rock chips from outcrop, old workings and old tips grading up to 109ppm gold and 10,000ppm antimony
- Results support further follow up work on felsic dyke occurrences for gold and old workings for extension to known high grade antimony / gold mineralisation

France (Vendrennes)

- Vendrennes PER (Permit Exclusif de Recherche or Exploration Licence) granted in France with high grade open pittable historic (non code compliant) Antimony resource
- Initial work program to be finalised for approval

PORTUGAL (POMAR)

Rock chip sampling

Seventeen rock chip samples were taken from various locations including eleven from around the old mines, waste tips and certain accessible outcrops (See Figure 1). Results indicate presence of high grade gold (Au) (and some tungsten (W)) associated with historic antimony (Sb) veins (See Table 1). Historic samples for Au along the Felsic dykes need further correlation but their prospectivity is supported by soil sampling results.

Figure 1 Pomar Licence Area showing areas of specific interest and spot sample locations

This illustration is available at www.scotgoldresources.com

Table 1 -Tops and old workings Rock Chip Sample results

Sample	Au ppm	As ppm	Sb ppm	W ppm
DGT01	22.6	1,730	4,740	3,660
DGT02	23.1	2,430	>10,000	27.8
DGT03	0.46	302	3,750	39.5
DGT04	109.0	>10,000	>10,000	17.7
DGP01	3.3	1,815	>10,000	313
MGT01	3.11	2,460	57.1	9.5
MGT02	0.02	17.1	8.1	1.5
PSER01	0.02	17.3	10.6	0.7
PSETR01	7.45	1,305	52.9	4
SW01	2.69	473	>10,000	<10
SW02	7.32	3,280	7,200	6

Soil sampling

Analysis of selected historical soil samples, taken (but not assayed) by the previous operator of the project, has indicated a long (c.1km) As / Au anomaly along the Pomar Eastern Felsic Dyke with a less pronounced anomaly evident along the Gatas Western Felsic Dyke to the north of the Das Gatas area (See figures 2 and 3). Significant Au / Sb / As anomalies were also registered around the old workings of Das Gatas, Barroca da Santa, Casalinho, Monte da Goula. Anomalies were also registered around the old Pomar workings and support a previous historic strong As anomaly to the east of Pomar and coincident again with an interpreted felsic dyke. As the historic soil samples were taken on a wide spacing (100 * 50m), infill soil sampling has been recommended to further define the extent of anomalies.

Statistical interpretation of the samples indicates a strong correlation between As / Au (for the dykes) and Au/Sb/As for historic workings and As is indicated as an important pathfinder for future exploration.

Figure 2 showing Arsenic anomalies in Pomar and Gatas specific areas of Interest:

This illustration is available at www.scotgoldresources.com

Figure 3 showing Gold anomalies in Pomar and Gatas specific areas of Interest:

This illustration is available at www.scotgoldresources.com

Structural and mapping

A structural interpretation for the area has been prepared and postulates the mineralised Sb / Au veins as developing in an extensional fault roughly trending north - south and reactivated as a thrust. Based on this interpretation, a number of areas around the old mines warrant follow up to determine the presence of extensions / repetitions to the know high grade Sb / Au mineralisation.

Follow up

Further follow up work will be undertaken to determine the extent of possible mineralisation associated with the kilometric scale felsic dykes. An extended and closer spaced soil sampling program is planned along with initial trenching / diamond saw sampling of available outcrop to verify previously taken chip samples. Detailed study of the mineralogy and paragenesis of the Au occurrences in the dykes will further inform their prospectivity.

Given the high grade rock chip samples associated with the old workings and tips, further work is warranted to determine the nature of the mineralisation and its possible extensions as postulated by the structural work. This will initially involve regaining access to and resampling the old workings.

The proposed program for the coming year has been agreed by the relevant government authority and has been costed at €70,000 to be completed by March 2018.

FRANCE (VENDRENNES)

The Company is pleased to announce that it has been granted the 'Vendrennes' Permit Exclusif de Recherche (PER) / exclusive exploration licence, applied for in 2015. Two further applications remain under consideration.

The Vendrennes PER substantially covers the 'Vendée Antimony district', France's third largest antimony producing district which during the 19th and beginning of the 20th century produced over 18,000t of Antimony metal substantially from the Rochetrejoux vein. (see Figure 4) Most importantly, the PER includes Les Brouzils, a small high grade open pittable antimony deposit that was discovered by the BRGM (Bureau de recherches géologiques et minières - the French Geological Survey) during the 1970's and 1980's.

Figure 4 Vendrennes Permit Exclusif de Recherche Location Map

This illustration is available at www.scotgoldresources.com

According to BRGM literature (L'Inventaire minier de la France), Les Brouzils hosts a 'geological resource' of 9,250t of antimony metal at a grade of 6.7% Sb to a depth of 100m and is open along strike and at depth.

NOTE: The above statement relating to a historic / foreign 'geological resource' and the figures quoted do not necessarily conform to current internationally recognized resource classification standards (e.g. JORC, PERC, CIM, SAMREC etc) and cannot thus be classified as a resource (Inferred, Indicated or Measured) under these codes and is stated for historical information purposes only. No reliance should be placed on these figures and it is uncertain that following evaluation and/or further exploration work that the estimates stated above will be able to be reported as mineral resources or ore reserves in accordance with a recognised code. It will be the Company's intention to work to verify or otherwise such numbers as soon as it can access the appropriate data.

Production from a small open pit at Les Brouzils commenced in 1989 under a joint venture between Gagneraud and the BRGM and produced some 895t of Sb metal in concentrate before closure in 1992 as a result of a significant decline in the antimony price relating to the disposal of strategic metal stockpiles by the US and USSR. Concentrates were produced through gravity and flotation and quality was reported as excellent with no deleterious elements present.

The Company will shortly present its program to the regional administration for approval which will include research to access and interpret available data from the previous BRGM programmes and regional soil sampling and mapping.

Scotgold CEO, Richard Gray said:

"Our efforts in France and Portugal have now resulted in us having prospective assets in both countries. In the first year's work at Pomar we have been able to cost effectively add to our knowledge of the area and demonstrate its potential. In France we will now have full access to the historical data relating to Vendrennes and our first step will be to analyse this. These assets could form an important part of Scotgold's future project pipeline and growth path beyond Cononish".

For further information please contact:

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The technical information in this regulatory announcement has been read and approved by Mr Chris Sangster. Mr Sangster, BSc (Hons), GDE, FIMMM is a non-executive Director of Scotgold and is a Fellow of the Institute of Materials, Minerals and Mining.

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.