



RNS Number: 8903Y
Scotgold Resources Ltd
14 May 2019

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

**Amendment to Option Conditions and Sale of
Options by Nat le Roux**

Scotgold announces that the board has agreed to amend the conditions relating to the options issued pursuant to the December 2017 rights issue, in that such options are made freely transferable.

Subsequent to this decision, Mr Nathaniel le Roux ("Nat le Roux") has entered into a sale agreement with Rhodora Limited ("Rhodora"), for the purchase of the 1,744,657 options of which he is the beneficial owner.

Options granted

Related to the December 2017 Rights Issue, a total of 2,125,149 "non-transferable" options to acquire new ordinary shares of the Company at an exercise price of £0.40 per share, expiring on 31 December 2019 (the "Options") were issued. Pursuant to the Rights Issue and the Underwriting Agreement, Nat le Roux holds 1,744,657 (82%) of these Options.

Nat le Roux has informed the board of directors of the Company that given his current significant investment in Scotgold, both in the form of equity and loan facility, he is unlikely to exercise his Options. He also stated that he received an offer for the purchase of his Options from Rhodora, a Jersey incorporated investment holding company, owned by a Jersey discretionary trust for the benefit of a wide class of beneficiaries, including the Fleming family. It is believed Rhodora would be a strategic investor who would be supportive of the Company's long-term strategy to ultimately play a significant part in the development of Scotland's gold mining industry.

The Board consider that it is in the Company's interest if the Options are exercised and have therefore decided to amend the conditions of the Options from "non transferable" to "transferable", provided that the Company is provided with, where the Options are held in certificated form:

- (i) An Option transfer form signed by the transferor and transferee in respect of the Options (the "Transfer Form"); and
- (ii) The original Option certificate or indemnity for lost Option certificate (the "Indemnity").

Where the options are held in uncertificated form within CREST, the transfer is notified to the Company.

This amendment applies to all the Options issued. The Company will write to all of the registered holders of the Options to advise them of the amendment, enclosing a Transfer Form and Indemnity. Copies of

this letter, a Transfer Form and Indemnity will also be available via the Company's website: www.scotgoldresources.com on 17 May, 2019.

Option Purchase Agreement

Following the change to the Option conditions, Mr Nat le Roux has entered into an option purchase agreement with Rhodora. Under the terms of this agreement, Rhodora will acquire the legal and beneficial title to all of Mr le Roux's entire beneficial holding of 1,744,657 Options for a consideration of 1.0 pence per Option.

Related Party Transaction

The amendment to the transferability of the Options is being treated as a related party transaction under the AIM Rules for Companies. Accordingly, the directors of Scotgold, excluding Nat le Roux, who is precluded from opining, having consulted with SP Angel, the Company's nominated adviser, consider that the amendment to the terms and conditions of the Options are fair and reasonable insofar as the shareholders of the Company are concerned.

Richard Gray, Chief Executive Officer of Scotgold commented:

"The potential for the exercise of these options could further strengthen the Company's cash position at a time when we will be considering the acceleration of the development of Phase 2 at Cononish Gold Mine and further expansion of our exploration programmes. This transaction not only greatly increases the likelihood that a substantial proportion of the Options will be exercised, but also has the potential to bring on board a strategic investor who shares the Company's vision for a Scottish gold mining industry"

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.

NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

1.	Details of the person discharging managerial responsibilities/person closely associated	
(a)	Full name of person Dealing	Nathaniel le Roux
2.	Reason for notification	
(a)	Position/status	Non-Executive Chairman
(b)	Initial notification/ Amendment	Initial notification
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
(a)	Name of entity	Scotgold Resources Limited

(b)	LEI	213800HL5A2K7LW2G360				
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted					
(a)	Description of the financial instrument, type of instrument	Options over Ordinary Shares of No Par Value				
(b)	Identification code	AU000XINEAK5				
(c)	Nature of the transaction	Sale of options				
(d)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Prices(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>one pence</td> <td>1,744,657</td> </tr> </tbody> </table>	Prices(s)	Volume(s)	one pence	1,744,657
Prices(s)	Volume(s)					
one pence	1,744,657					
(e)	Aggregated information: - Aggregated volume - Price	Single transaction as in 4(d) above <table border="1"> <thead> <tr> <th>Prices(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>one pence</td> <td>1,744,657</td> </tr> </tbody> </table>	Prices(s)	Volume(s)	one pence	1,744,657
Prices(s)	Volume(s)					
one pence	1,744,657					
(f)	Date of transaction	14 May 2019				
(g)	Place of transaction	Outside of a trading venue				

For further information please contact:

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