



RNS Number : 6826R
Scotgold Resources Ltd
10 March 2016

SCOTGOLD RESOURCES LIMITED

PLACING OF SHARES

Scotgold Resources Limited (the "Company") (**ASX:SGZ, AIM: SGZ**) is pleased to announce that the Company has placed 83,333,332 new ordinary Scotgold shares ("Shares") at an issue price of £0.006 (approximately AUD\$0.011) each with new shareholders to raise £500,000 (approximately AUD\$948,500) before expenses.

The funds raised will be used to:

- Investigate the viability of a phased approach to the development of the Cononish Gold and Silver Project and as appropriate revise the Cononish Bankable Feasibility Study ("BFS").
- Provide additional working capital during the previously announced Bulk Processing Trial ("BPT") such that the premium achieved on verified Scottish gold can be optimized.

Completion of the Placement is scheduled to occur, and the 83,333,332 new Shares are expected to be issued on or about 10 March 2016 and admitted to trading on AIM and the ASX on or about 16 March 2016. The Shares issued under the Placement will rank *pari passu* with existing Scotgold Shares.

The new Shares are being issued under the company's 15% capacity under ASX Listing Rule 7.1 and the Placement has been arranged by Vicarage Capital Limited for a fee of 5%.

Total Voting Rights

Following Admission, the Company's enlarged issued share capital will comprise 1,342,833,693 Shares, with voting rights. The Company does not hold any Shares in treasury. Therefore the total number of Shares in the Company with voting rights will be 1,342,833,693. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Richard Gray, Chief Executive Officer commented: "This successful fund raise means the company is now well placed to complete the BPT and determine the optimum route for the development of Cononish for the benefit of our existing shareholders. We are excited by the imminent production of gold, subject to planning permission, from what will be Scotland's first commercial gold mine and will keep our shareholders regularly informed on the progress of this project. "

For further information please contact:

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