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Scotgold Resources Ltd
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SCOTGOLD RESOURCES LIMITED

CONONISH GOLD PROJECT STUDY UPDATE

AND JORC 2012 ORE RESERVE ESTIMATE

Scotgold Resources Limited ('Scotgold' or 'the Company') is pleased to announce a new Ore Reserve estimate for its wholly owned Cononish Gold Project and provide an update on development activities. The Ore Reserve estimate, compiled by Bara Consulting Ltd, has been classified and is reported as Proven and Probable, based on guidelines recommended in the JORC Code (2012). The Cononish Gold Project is part of the Company's gold portfolio located in Scotland.

HIGHLIGHTS

- Total Ore Reserve estimate increased by 179% to 198,000 ounces of gold(Au) and 851,000 ounces of silver (Ag) (555,000 tonnes at 11.1g/t Au and 47.7g/t Ag respectively);
- The maiden Proven Reserve of 24,000 ounces Au and 108,000 ounces Ag (65,000 tonnes at 11.5g/t Au and 51.5g/t Ag for respectively);
- The mining methodology trade off study has been completed and Long Hole Open Stoping (LHOS) is confirmed as most appropriate;
- The life of mine increases to approximately 8 years at a processing rate of 72,000tpa;
- The new mine design and mine schedule has also been completed, enabling earlier access to higher grade ore and gold equivalent production of approximately 30,000 ounces per annum in years 2 and 3;
- The average annual gold equivalent production increased to approx. 23,000 ounces per annum.
- The exploration team has been enhanced with the recruitment of a Project Geologist and a structural prospectivity exercise has been commenced.

Note1: *All comparisons relate to Cononish Development Plan released 30/04/2013 and available at www.scotgoldresources.com.*

STUDY UPDATE

A thorough review has been undertaken of the 2013 Cononish Development Plan developed by AMC Consultants (UK) Ltd (AMC) in order to identify opportunities to not only improve on the plan but to also improve the confidence in the plan. As a result of this review further work has been undertaken on the mining methodology, access design, geotechnical evaluation and overall mine design.

The outcome of this work is a revised Development Plan developed by Bara Consulting (Bara). This revised Development Plan is complete in all areas to at least a Prefeasibility Study level and consequently the Company is now able to estimate the Ore Reserve based on the Mineral Resource Estimate (MRE) issued in January 2015. Greater detail on the parameters derived from this work and used for the Ore Reserve estimation process is given in the following sections of this release.

Further work is still required to complete the Bankable Feasibility Study (BFS), principally to update the capital cost estimates, review and adjust as appropriate the operating cost estimates and incorporate the conceptual opportunities identified for savings. This is expected to be completed by the end of July 2015.

The Company has also recruited a Project Geologist to the team who has previously conducted various studies on gold mineralisation in the Dalradian belt. This additional capacity, together with a structural prospectivity study already commenced, will focus our ongoing exploration programs designed to both further build on the mineral resources at Cononish and throughout our extensive Grampian Project.

ORE RESERVE ESTIMATE

As at 25 May 2015 (JORC 2012 Code)			
Classification	**Proven**	**Probable**	**Total**
Tonnes ('000)	65	490	555
Au Grade (g/t)	11.5	11.1	11.1
Au Metal (k oz)	24	174	198
Ag Grade (g/t)	51.5	47.2	47.7
Ag Metal (k oz)	108	743	851

(Bara Consulting Limited Ore Reserve Statement dated May 2015)

As at 30 April 2013 (JORC 2004 Code)			
Classification	**Proven**	**Probable**	**Total**
Tonnes ('000)	0	200	200
Au Grade (g/t)	0	11	11
Au Metal (k oz)	0	71	71
Ag Grade (g/t)	0	45	45
Ag Metal (k oz)	0	289	289

(Development Plan dated 30 April 2013)

Variance - Increase / (Decrease) 2013 to 2015			
Classification	**Proven**	**Probable**	**Total**
Tonnes ('000)	n/a	145%	177%
Au Grade (g/t)	n/a	1%	1%
Au Metal (k oz)	n/a	145%	179%

Note: *the Ore Reserve estimates reported Development Plan dated 30/04/2013 under the JORC 2004 code are no longer applicable (as discussed in the 2014 Annual Report) but are presented here for comparative purposes only*.

The most significant factor underlying the increase in the 2015 Ore Reserve estimate is the Mineral Resource Estimate (MRE) published in January 2015. The increased confidence in this MRE and the consequent increase in material classified as Indicated, together with the work done to verify the modifying factors, has resulted in the estimation of both Proven and Probable categories of Ore Reserve. It should also be noted that the gold price used for the Ore Reserve estimation is now US$1,100/ounce (compared with US$1,300/ounce Au in the 2013) and the silver price used is US$15/ounce.

Commenting on the improved numbers and the estimation of a maiden Proven Ore Reserve, Scotgold CEO, Richard Gray said "We continue on track to deliver the Cononish Project into production. I believe this Ore Reserve statement highlights the robustness of the project, even using a gold price of US$1,100/ounce, some US$100 below the current market price. This improved confidence is a material factor in our early stage discussions with potential financiers and will assist us secure the best possible financial arrangements in the coming months"

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SUMMARY OF MATERIAL INFORMATION FROM REVISED DEVELOPMENT PLAN

1 RESOURCES CONSIDERED FOR MINING

The JORC 2012 compliant Mineral Resource Estimate is shown in Table 1.1 below and was compiled by CSA Global (UK) Limited. Details of the supporting work, including Section 1, 2 and 3 of the JORC 2012 Code table 1 checklist were given in the Company's announcement dated 12 January 2015.

Table 1.1 - Mineral Resource Estimate

Table 1.1 - Mineral Resource Estimate as at 12 January 2015

Reported at a cut off grade of 3.5g/t gold

Classification	K tonnes	Grade Au g/t	Metal Au Koz	Grade Ag g/t	Metal Ag Koz	Bulk Density
Measured - In-situ	60	15.0	29	71.5	139	2.72
Indicated - In-situ	474	14.3	217	58.7	895	2.72
Indicated - Mined Stockpile	7	7.9	2	39.0	9	2.72
Sub-total M & I	**541**	**14.3**	**248**	**59.9**	**1,043**	**2.72**
Inferred - In-situ	75	7.4	18	21.9	53	2.72
Total MRE	**617**	**13.4**	**266**	**55.3**	**1,096**	**2.72**

Reported from 3D block model with grades estimated by Ordinary Kriging with 15 m SMU Local Uniform Conditioning adjustment. Minimum vein width is 1.2m. Totals may not appear to add up due to appropriate rounding.

(CSA Global (UK) Limited Mineral Resource Estimate as at 12 January 2015)

2 CUT-OFF GRADE AND MODIFYING FACTORS

2.1 Cut-off Grade

In order to simplify the calculations based on grade, the value of silver and gold were combined by the calculation of an equivalent gold value. The calculation considered the different metal process and recoveries. The equation used for calculating equivalent Au g/t is:

*Equivalent Au (g/t) = Au g/t + (Ag g/t *0.015)*

A breakeven grade was calculated based on the operating costs for mining and processing as well as the prevailing metal prices.

Based on this calculation a mining cut-off of 4.6 g/t Equivalent Au (RoM) was applied in the mine plan. Only stopes with in-situ grades above the cut-off were targeted in the plan. In limited cases it is necessary to mine lower grade blocks in order to access the targeted blocks, rather than re-developing around the lower grade blocks, and so some lower grade stope blocks are included in the plan.

A marginal pay limit was calculated in the same manner, but by setting the mining cost to zero, to determine the cut-off grade for development ore. The marginal cut-off grade is 2.3 g/t Equivalent Au in-situ, which equates to 2.1 g/t Equivalent Au RoM grade. To ensure at least some profit margin on marginal ore the cut-off grade applied in determining which development ore to process was set at 2.5 g/t equivalent Au RoM grade.

2.2 Dilution

Considerable effort went into estimating dilution. All the current ore intersections on the 400 m Level Adit were mapped and detailed stope configurations were overlaid onto the mapping and sampling data. Eleven different cases were analysed to determine the amount of both planned dilution and unplanned dilution that was likely to occur during mining. Planned dilution is that waste or unpay material that is included in the stope envelope. This is normally due to the variation in vein thickness/grade or deviation of the vein away from the straight lines of the stope envelope.

Unplanned dilution is an allowance made for inaccuracies and error in the mining process, which may occur due to inaccurate drilling, deviation of the drill hole, blast damage or failure of the stope hanging or sidewall.

The estimate of the predicted dilution and the width of the vein in each of the eleven cases were plotted against each other and a regression curve determined. The best fit for the data set was a power function, where:

Total dilution (%) = 0.792 X Width (m)$^{(-1.638)}$

This formula was used to allocate dilution to each stope block in the mine plan. The average stope dilution is 30%.

An additional source of dilution in the mine plan is development. Ore development was categorised into grade categories in the mine plan:

- ✓ Pay - RoM grade (Eq Au g/t) > 4.6 g/t
- ✓ Low grade - RoM grade (Eq Au g/t) < 4.6 g/t and >2.5 g/t
- ✓ Unpay - RoM grade (Eq Au g/t) < 2.5 g/t

Both pay and low grade development ore will be processed and therefore have been included in the Mineral Reserve estimate. The unpay development ore will be treated as waste material.

2.3 Ore Loss

An allowance was made for ore loss to account for:

- ✓ Broken ore not recovered from stopes

- ✓ Ore not broken due to inaccurate mining or mining complications such as stope bridging
- ✓ Ore lost during the mucking and hauling process, between the stope and the RoM pad.

Based on experience from other narrow vein gold operations ore loss was set at 10%.

3 ORE RESERVE STATEMENT

The geological block and structural models produced by CSA were used to develop the mine design. The level intervals proposed by AMC were considered appropriate as was the long hole open stoping mining method. The mine design included a rock pass system (which was not included in the AMC design) and a revised layout for the ramp systems. The rock pass system introduced considerable more flexibility and will lead to reduced operating costs by reducing truck haul distances. Appropriate pillars where built into the mine design. These were based on a detailed geotechnical investigation completed in April 2015. No Inferred Mineral Resources where included in the mine design.

An illustration showing a vertical projection of the ore body looking north coloured by grade can be found on the Company's website at www.scotgoldresources.com a further illustration showing a vertical projection looking north but coloured by year can also be found at www.scotgoldresources.com.

In order to confirm the economic viability, the 2015 schedule was evaluated with the 2013 estimated operating costs and capital costs, which were updated to reflect the revised layout and schedule. No further revision to costs (quoted below) were made, as after review as part of the BFS, they are considered prudent and appropriate at a Prefeasibility Study level of +/-20%.

The operating costs used in the life of mine financial model are shown in Table 3.1.

Table 3-1 - Prefeasibility Operating Cost Estimate (LoM Averages)

Operating Cost	**GBP/RoM tonne**
Mining	48.40
Processing	31.06
Administration	8.51
Total	**87.97**

The processing and administration costs have changed slightly due to the longer life.

The capital costs used in the life of mine financial model are shown in Table 3.2.

Table 3-2 - Prefeasibility Capital Cost Estimate	
Capital Cost	**GBP millions**
Mine Development	3.648
Mining Equipment	2.734
Processing Plant	10.728
Tailings Facility	4.112
Infrastructure	0.996
Environmental and Social	1.174
Labour (pre-production)	0.375
Total	**23.767**

Development costs have increased due to the revised mine design. Labour costs have increased due to an increased allowance for pre-production expenditure. Development capital includes all waste development until the end of the mine life.

The metal prices used in calculating cash flow for this economic assessment were US$ 1,100/Au oz and US$ 15/Ag oz and an exchange rate of US$/£ 1.60 was applied. These prices were provided by Scotgold and are considered appropriate.

The estimate showed that the planned operation returns a positive cash flow, with a pre-tax NPV of £21.3 million at a discount rate of 10 per cent and a pre-tax IRR of 45%. This confirms that the operation is economically viable.

Bara has been commissioned by Scotgold to update the areas of work in the AMC Development Plan, which are considered to be at PFS levels, and produce a BFS. This is expected to be completed by the end of July 2015. The BFS is well advanced and early indications are that these numbers may be improved once opportunities already identified to reduce costs have been incorporated into the study.

Table 3.3 shows the resource estimate and the conversion of the Mineral Resource to Ore Reserve.

Table 3-3 - Summary of Mineral Resource to Ore Reserve Conversion						
Item	**Factor**	**Tonnes '000**	**Au Grade g/t**	**Au '000 Oz**	**Ag Grade g/t**	**Ag '000 Oz**
Resource (Measured and indicated at 3.5 g/t cut-off)		541	14.3	249	59.9	1,042
Less unpay areas (after mining cut-off)	**5 g/t**	**374**	**15.7**	**189**	**69.1**	**830**

Dilution						
Stoping	30%	99	0.9	3	4.7	15
Low Grade Development		136	6.2	27	20.9	91
With dilution		**609**	**11.2**	**218**	**47.8**	**936**
Less Ore loss (10%)	10%	-61	11.2	-22	47.8	-94
From Underground Mine		**548**	**11.2**	**197**	**47.8**	**843**
From surface stockpile		7	7.9	2	39.0	9
Total Mineral Reserve		**555**	**11.1**	**198**	**47.7**	**851**

The Ore Reserve statement is shown in Table 3.4. This is an estimate of the ore to be delivered to the plant.

Table 3.4 - Ore Reserve Statement

Classification	Tonnes '000	Grade Au g/t	Au '000 oz	Grade Ag g/t	Ag '000 oz
Proven	65	11.5	24	51.5	108
Probable	490	11.1	174	47.2	743
Total	**555**	**11.1**	**198**	**47.7**	**851**

(Bara Consulting Limited - Ore Reserve Statement dated May 2015)

The Mineral Resources are declared inclusive of Ore Reserves.

Competent Persons Statement

The information in this report that relates to the 2015 Ore Reserves for Cononish Gold Project and the revised development plan is based on information compiled by Pat Willis, a Competent Person who is registered as a Professional Engineer (Pr.Eng.) with the Engineering Council for South Africa (ECSA) and a Fellow in good standing and Past President of the Southern Africa Institute of Mining and Metallurgy (FSAIMM).. Mr Willis is employed by Bara Consulting Limited, an independent consulting company. Mr Willis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Willis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the 2015 Mineral Resources Estimate for Cononish Gold Project (refer ASX announcement dated 22/01/2015) is based on information compiled by Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by CSA Global (UK) Limited, an independent consulting company. Mr Titley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Titley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Further, the Company confirms it is not aware of any new information or data that materially affects the information contained in the original announcement and that all material assumptions and technical parameters underpinning the estimate of Resources continue to apply and have not materially changed

The information in this report that relates to the Cononish Development Study Results (refer ASX announcement dated 30/4/2013) was compiled by Mr. Martin W Staples BSc, FAusIMM., Director and Principal Mining Engineer with AMC Consultants (UK) Ltd based in the Maidenhead, UK office (now relocated to Perth W.A). Mr. Staples has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Staples consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004

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.

Appendix A: JORC Code, 2012 Edition - Table 1 report

Appendix B: Glossary of technical terms

Term	Description
%	Percent
°C	Celsius degrees
3D	Three-dimensional model or data
AAS	Atomic Adsorption Spectronomy
Acid test	A method of orientating a drillhole using an acid etch
Adit	Underground mining tunnel, for mining, drainage, access
Ag	Silver, atomic number: 47. Measured in parts per million (grams per tonnes)
AQ	Diamond Drill core Diameter: 27mm inside barrel
Aqua regia	Partial acid digestion method, dissolving base and precious metals but not silicates and/or alumina's
Assay	A general term for geochemical analysis of a sample
Au	Gold, atomic number: 79. Measured in parts per million (grams per tonnes)
Auriferous	Enriched in gold
Azimuth	An angular measurement in a spherical coordinate system, i.e. deviation degree relative to north
Blanks	A reference material/sample which contains zero grade, inserted to determine sampling or laboratory contamination
BQ	Diamond Drill core Diameter: 36.5mm inside barrel
Breccia	A rock that has experienced significant brittle deformation, and is composed of broken fragments typically cemented together by a fine-grained matrix
Bulk density	The mass of many particles of the material divided by the total volume they occupy. The total volume includes particle volume, inter-particle void volume, and internal pore volume
Calcareous	Enriched in calcium, typically calcium carbonate

Term	Description
CAPEX	Capital Costs (short for Capital Expenditure).
Carbonate	A carbonate is a salt of carbonic acid, characterised by the presence of the carbonate ion, CO_3^{2-}
Chalcopyrite	One of the chief ores of copper. Sulphide mineral, composition $CuFeS_2$
Channel sample	A hard rock sample, typically taken perpendicular to the mineralised orientation, continuously over a set length
Chip-channel	A hard rock composite sample, typically collected using a hammer to obtain numerous fragments of rock
cm	centimetre
Collar	Geographical coordinates of the collar of a drill hole or a working portal
Compositing	The process of dividing or adding sample intervals together to form a regular length
CP	Competent Person
CRM	Certified Reference Materials, a QAQC standard sample
CSA	CSA Global (UK) Ltd
Cut-off grade	The threshold value in exploration and geological resources estimation above which mineralised material is selectively processed or estimated
Datamine	A 3D mining software package
DD	Diamond core drilling method
DGPS	Differential Global Position System
Diamond drill hole	Method of drilling, using a diamond impregnated core-bit which produces a solid cylinder of rock core
Diamond saw	Circular hand-saw, with a diamond impregnated cutting disk, typically used to collect channel samples from hard rock outcrop
Dilution	The inclusion of waste or low grade (uneconomic) material either during estimation or mining
DIP	The angle of drilling (or of a structure) relative to horizontal
DTM	Digital Terrain Model. Three-dimensional wireframe surface model, for example, topography
Duplicates	A QAQC sample that duplicates a previously collected sampling, employing the same collection and analysis methods
Dyke	An intrusive, microcrystalline rock, concentrated along a linear feature, typically mafic (enriched in iron and magnesium)
Easting	Coordinate axis (X) for metre based Projection, typically UTM. Refers specifically to metres east of a reference point (0,0)
Electrum	A variety of gold containing minor silver (usually ~20% weight of silver)
Elevation	Distance above a datum, typically above sea level
Ezy mark	A down-hole tool which marks the base of piece of core, while still in the core-barrel (down-hole), the marks are used to orientate drill core
Face sample	A chip or channel sample collected from an advancing underground mine drive
Fault	A planar fracture or discontinuity in a volume of rock, across which significant displacement has occurred
Fire assay	A laboratory method to analyse the total precious metal (Au, Ag, PGE) content of a sample, by fusion, furnace and cupellation followed by Spectrometry analysis

Term	Description
Flotation	A metallurgical process, typically used for non-acid soluble ore (e.g. sulphides) to concentrate pulverised ore minerals using flocculants
Feasibility study	A comprehensive study of a deposit in which all geological, engineering, operating, economic and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production.
Footwall	The volume of rock which lies below a structural contact
g	Gram
g/t	Grams per tonne (equal to parts per million)
Galena	One of the chief ores of lead. A sulphide mineral, composition PbS
Geochemical sampling	In exploration, the main method of sampling for determination of presence of mineralisation. A geochemical sample usually unites fragments of rock chipped with a hammer from drill hole core at a specific interval
Geological domain	A domain of rock that has a similar character, age, mineralisation style etc.
GPS	Global Positioning System
Gravity concentration	A metallurgical process, used to concentrate dense minerals, typically employing a centrifuge or gravity tables
Hangingwall	The volume of rock which lies above a structural contact
Histogram	Diagrammatic representation of data distribution by calculating frequency of occurrence
HQ	A diamond drill core diameter of 96 mm (outside of bit) and 63.5 mm (inside of bit)
ICP	Inductively Coupled Plasma analysis, used to analysis elemental concentrations of metals and several non-metals
IDS	Inverse Distance Squared
Implicit modelling	A method of creating digital surfaces, wireframes and models using automated processes and geological constraints
Indicated Resource	That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
Inferred Resource	That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability
Isatis	Geovariances' geostatistical software
JORC	Joint Ore Reserves Committee
K	Potassium
Kg	kilogram
km	kilometre

Term	Description
km^2	Square kilometre
Kriging	Method of interpolating grade using variogram parameters associated with the samples' spatial distribution. Kriging estimates grades in untested areas (blocks) such that the variogram parameters are used for optimum weighting of known grades. Kriging weights known grades such that variation of the estimation is minimised, and the standard deviation is equal to zero (based on the model)
LHOS	Long hole Open Stoping method of underground mining
Lithology	Rock type: based on standard international geological classifications
Lode	Another term for a mineralised vein
LUC	Localised uniform conditioning, a non-linear "recoverable resource" estimation technique
m	metre
M	Million
Ma	Million years
Mean	Arithmetic mean
Measured Resource	that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are appropriately spaced to confirm geological and/or grade continuity to a high confidence
Median	Sample occupying the middle position in a database
Metamorphosed	Undergone physical and/or chemical change due to heat and pressure, through geological processes
MICROMINE	A 3D mining software package
Microns	A micrometre - a measurement of length - 1×10^{-6} metres
Mineralised	Enriched in concentrations of an element (e.g.) to a degree where it is economically significant
Mineral Resource	A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories
Minimum mining width	A minimum width, dictated by the mining method employed (open-stope, raise-bore) to which mining can realistically be achieved
mm	millimetre
MRE	Mineral Resource Estimate
Mt	million tonnes
Mtpa	Million tonnes per annum
Native Metal	A native metal is any metal that is found in its metallic form, either pure or as an alloy, in nature

Term	Description
NN	Nearest Neighbour, a method of assigning grades to blocks based on samples that are nearest to it
Northing	Coordinate axis (Y) for metre based Projection, typically UTM. Refers specifically to metres north of a reference point (0,0)
NQ	A diamond drill core diameter of 75.7 mm (outside of bit) and 47.6 mm (inside of bit)
Nugget	The typical difference (for an individual domain) in grade between samples taken immediately adjacent to each other
OK	Ordinary Kriging. A linear estimation technique using weights determined through variography
OPEX	Operating Costs
Orogenic	Geological term for the process of mountain building
OSGB	Ordnance Survey of Great Britain
Outcrop	Exposed rock, i.e. not covered by soil or scree
Outliers	A statistical term. Outliers are defined as data points that do not fit into the distribution of the overall dataset
oz.	Troy ounce (31.1034768 grams)
Palaeozoic	Geological Era - from 542Ma to 251Ma
Panel chip	Chip sampling using a regular grid
Pb	Lead, atomic number 82
Pegmatite	A holocrystalline intrusive rock, dominated by quartz, feldspar, mica and associated with granitic intrusion and high grade metamorphism
Pelite	Metamorphic rock; of fine-grained sedimentary protolith
Percentile	A measure used in statistics indicating the value below which a given percentage of observations in a group of observations fall
Phanerozoic	Geological Eon - from 542Ma to the present day
PLC	Public Listed Company
Population	In geostatistics, a population formed from grades having identical or similar geostatistical characteristics. Ideally, one given population is characterized by a linear distribution
Porphyry	An igneous rock consisting of large-grained crystals in a fine-grained matrix
Pre-feasibility study (PFS)	A comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating and economic factors and the evaluation of other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve
ppm	Parts per million
PQ	A diamond drill core diameter of 122.6 mm (outside of bit) and 85 mm (inside of bit)
Probable Ore Reserve	A 'Probable Ore Reserve' is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve.

Term	Description
Proterozoic	Geological Eon - from 2500Ma to 542Ma
Proved Ore Reserve	A 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.
Psammite	Metamorphosed sandstone
Pulps	Final stage of sample preparation prior to analysis, typically pulverised to micron size and homogenised
Pyrite	An iron sulphide with the chemical composition of FeS_2
QA/QC	Quality Assurance Quality Control
Quartz	A common silicate mineral, composition SiO_2
Quartz vein	Intruded vein of quartz, typically younger than the host rock
RAB	Rotary Air Blast. A form of open hole drilling where the drill cuttings are ejected by air, travelling to surface in the interface between the drill rod and the ground
RC	Reverse Circulation. A form of drilling where the drill cuttings are ejected by air, travelling to surface within an opening within the drill stem itself
Raise	A vertical underground excavation
Recovery (Drill)	Measurement of core loss (in meters(or chip sample (in mass) to ascertain total drill recovery
Reserves	Mineable geological resources
Residual sample	A sample that is shorter than the composited length, after compositing
Resources	Geological resources (both mineable and un-mineable)
RL	Reduced Level. Elevation of the collar of a drill hole, a trench or a pit bench above the sea level
ROM	Run of Mine
RQD	Rock-quality designation, a geotechnical measurement of how fractured or broken a drill intersection is
Sample	Specimen with analytically determined grade values for the components being studied
Seam filling	A Datamine process of filling a wireframe, from a designated direction, which forms a single cell that honours the true thickness of the wireframe in that direction
Shear	A structural discontinuity in a rock mass, typically resulting in non-brittle deformation and movement of blocks along a plane
Shrinkage stoping	A mining method used for steeply dipping, narrower ore bodies with self-supporting walls and ore
Sill	Variation value at which a variogram reaches a plateau
Silver	Precious metal (Ag), atomic number: 47
Single shot	A surveying method, employing single film exposures to determine the azimuth and dip of the surveying instrument downhole
SMU	Smallest Mining Unit, typically refers to a block whose dimensions match minimum mining block size expected mining methods
Snowden	International Mining and Exploration Consultancy
SOP	Standard Operating Procedure
Sphalerite	The chief zinc sulphide mineral with a chemical composition of ZnS
Standards	Certified Reference Materials (CRMs) samples which have a known constant geochemical value, inserted to ascertain laboratory precision

Term	Description
Stockworks	A interconnected network of veins
Strike	The orientation of a feature, in plan view, or as intersecting a horizontal plane
Sub-level stoping	Underground mining technique that involves vertical mining in a large, open stope
Sulphides	A mineral group that contains sulphur as the major anion
Support	Equal support implies that all data has the same statistical weight
SURPAC	A 3D mining software package
Swath plot	A method of block model validation using a graph that compares input grades, drill metres, block model tonnes
t	Tonnes
Telluride	A mineral group that contains tellurium as the major anion
TMF	Tailings Management Facility
Top cut	A value to which anomalously high grades are restricted to, determined by statistical methods
Topography	Detailed, precise description of the surface of the earth, based on XYZ data, to form a 3-D surface
Trench	A method of sampling across and excavated trench at surface, using either hand-tools or a mechanical back-hoe. Used to expose fresh/less-weathered rock
Tropari	A 'single-shot' method of surveying, using single film exposures to determine the azimuth and dip of the surveying instrument downhole
UC	Uniform Conditioning, a non-linear "recoverable resource" estimation technique
UTM	Universal Transverse Mercator
Variation	In statistics, the measure of dispersion around the mean value of a data set
Variogram	Graph showing variability of an element by increasing spacing between samples
Variography	The process of constructing a semi-variogram
Vein	A sheet like body of crystallized minerals intruded into a host rock
Waste	Un-mineralised rock, or rock that is uneconomic to extract/process
Wireframe	A 3-D digital model, typically an solid volume which encloses a geological domain
X	The direction aligned with the x-axis of a coordinate system
Y	The direction aligned with the y-axis of a coordinate system
Z	The direction aligned with the z-axis of a coordinate system
Zn	Zinc, atomic number 30