



RNS Number : 7910H  
Scotgold Resources Limited  
27 March, 2020

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

**Cononish Development Schedule update  
and temporary cessation of activities due to  
Covid-19 measures.**

Scotgold Resources Limited (AIM:SGZ) provides an update to the development schedule of the Cononish Gold and Silver Mine (the "Cononish Project").

Further to the update provided on 16 December 2019, bad weather delays, particularly during January and February which was one of the wettest starts to the year on record, have exceeded the planned allowances. The Company has attempted to mitigate these conditions by utilising smaller, less weather dependent earthmoving equipment and to mitigate the cost implications by undertaking these activities "in house" and utilising our own skilled workforce. Although the weather conditions have recently improved, it is apparent that first gold production will be delayed beyond May 2020 as previously forecast.

The overall impact of the Covid-19 pandemic on the Cononish Project is difficult to predict. The Company has been fully complying with the Government's emergency measures to date, such as ensuring all staff who are not absolutely necessary on site are operating from home and those still working onsite are observing social distancing and hygiene requirements. The Scottish Government has now advised that all non-essential construction sites be closed down until further guidance is issued on how this sector can operate safely.

As of today, the Company will close down the mining operations at Cononish but will continue with care and maintenance operations to ensure the health, safety and in particular environmental aspects of the site are secured. Our on-site team members not involved with care and maintenance will be furloughed in accordance with the Government's Job Retention Scheme, so full activities can resume as soon as permissible.

Going forward, we are currently uncertain as to the impact the pandemic will have on our supply chain and our specialist contractor's ability to mobilise for the building construction and plant assembly activities. We will continue to work with our various stakeholders in this regard to mitigate

all such risks and to provide greater clarity in due course on what the ultimate impact on schedule and costs might be.

Richard Gray, CEO commented: "These are difficult times and I am proud of the efforts being put in by our team to overcome these challenges, and we are doing this cognisant of our responsibilities to our local and national communities".

**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.**

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