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

Cononish Gold & Silver Project,

Geoscience team and Corporate update

- Construction and development activities at the Cononish Gold and Silver project progressing well with first gold pour expected by 30 November 2020
- Dr Simon Dominy and Mr David Catterall have been appointed as Group Manager Resources and Reserves, and Exploration Consultant respectively
- St Brides Partners have been appointed as the Company's marketing and communications advisors

Scotgold, the gold exploration and production company focused on Scotland, is pleased to provide an update on the development of the low cost, high grade Cononish Gold and Silver project ('Cononish') where first gold is expected by 30 November 2020. In addition, a general corporate update is provided including the expansion of the Company's Geoscience team, which will be important both for the success of the Cononish Mine and the Grampian exploration project, as the Company looks to its long term growth.

Cononish Gold and Silver Project Update

Following the update provided on 8 July 2020, both underground development activities and the critical path plant construction activities at Cononish have progressed well, whilst at the same time the Covid 19 safety protocols have been fully implemented. The underground development has benefited from the arrival on site of the previously announced standby ST2G scooptram and the first of the two new T1D drill rigs is currently in transit.

With the completion of the critical platform earthworks, concrete works and placement of major equipment items; plant construction is now focussed on the building structure, to be followed by the installation and connections of pumps, drives, piping and electrics and ultimately commissioning. First gold is now scheduled to occur by 30 November 2020.

Expansion of Geoscience Team

As previously announced, Cononish currently has estimated Reserves of 550,000t at a Head Grade of 11.8g/t Au which, at an average annual production rate of 23,370oz, equates to a nine year life of mine, although there is the potential to increase this in the future. It is with this in mind and also the



advancement of the Company's Grampian exploration project, that the Company is also pleased to announce that it has taken steps to further expand its Geoscience team.

The first of these is the appointment of Dr Simon Dominy as Group Manager – Resources & Reserves. Simon is a mining geologist-engineer with over 25 years of practical and management experience in project development, value generation and operational optimisation. He has extensive experience in underground narrow-vein gold mining relevant to the Cononish mine, with skills across orebody knowledge; strategic and tactical geometallurgy; resource development; ore control and reconciliation; mine design; mineral processing and management.

Simon is a Competent Person for Mineral Resources and Ore Reserves as defined in The JORC Code 2012. He is a Visiting Associate Professor at the Camborne School of Mines, University of Exeter, England, and sits on a number of industry committees related to the IOM3 and Geological Society of London.

Secondly Mr David Catterall has been appointed as Exploration Consultant to advise on the Grampian Project. David is a SACNASP registered Professional Exploration Geologist with over 30 years' experience in the resource sector; with an emphasis on structural mapping and interpretation, geochemistry and geophysics. He has specific experience of gold exploration in the Dalradian Belt with Scotgold and others, and his project experience ranges from grass roots exploration across a range of commodities to feasibility studies for open pit and underground operations in gold and base metals.

The Grampian exploration project is focused on identifying gold and base metal mineralisation within the highly prospective Grampian Terrane. This geological terrane consists mostly of metasediments and volcanics of Dalradian age and is a direct continuation of the Dalradian gold province of Northern Ireland which hosts the Curraghinalt and Cavanacaw gold deposits.

Corporate Update

Following a review of the Company's future communication needs, it is pleased to announce the appointment of St Brides Partners as its marketing and communications advisors. St Brides Partners is a full spectrum financial public relations, design and marketing consultancy which will provide the key services required to ensure close communication with our growing stakeholder base.

CEO, Richard Gray commented: "The depth of our geological understanding of both Cononish and the Dalradian belt is obviously key to our long-term success and with the appointments made today, we are building a world class geoscience team to unlock the fantastic potential of this whole area and our significant land holdings in particular. Our objective is to use the cash flow generative



platform which Cononish is expected to provide to build a highly profitable, low risk gold mining company operating in stable jurisdictions. With this in mind, I am confident both Simon and David will prove invaluable to Scotgold and I look forward to providing further updates on our progress.”

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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