



RNS 6524W  
27 April 2021

**Scotgold Resources Limited**

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

**Production and Corporate Update**

Scotgold announces an update to the market with regard to its mine production and processing expectations for the Cononish Project ("Cononish") and the associated working capital requirements arising from these.

The Company is pleased to announce that it has resolved the various outstanding technical issues affecting the processing plant at Cononish, which is operating consistently and currently focussing on ramping up to full design capacity expeditiously.

The Company commenced a review of the mine plan for Cononish at the beginning of April 2021 and it has been concluded that the ramp up of underground mining production will be slower than originally planned. Mine development is insufficient for the mine to provide optimal ore quantity and quality in the short term, however this is not predicted to have long term impacts. The mine team at Scotgold has undergone a reshuffle in leadership and approach to ensure it can deliver reliable and robust short term mine plans. Accordingly, the Company expects production for calendar year 2021 to be materially less than the guidance range previously announced on 31 March 2021.

A further update in connection with the ramp-up of production, including new estimates for ore to be processed and gold to be produced for the calendar year 2021 will be announced as soon as the Company has completed the review of the mine plan for Cononish.

The recent delays to the production ramp-up have had and are expected to have a negative impact on the Company's cash position. To ensure the Company has adequate funds available for working capital through this production ramp up period, the Company is investigating financing options, including short-term debt financing from the Directors. A further update will be made to shareholders in due course.

**This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.**



For further information please contact:

**Scotgold Resources Limited**

Chief Executive Officer

Philip Day

**SP Angel Corporate Finance LLP**

Nomad and Broker

Ewan Leggat / Charlie Bouverat

Tel +44 (0) 20 3470 0470

**St Brides Partners**

Financial PR

Susie Geliher / Frank Buhagiar

Tel +44 (0) 20 7236 1177