



03 March 2022

**Scotgold Resources Limited ("Scotgold" or the "Company")
Provision of Short Term Loan Facility**

Scotgold Resources Limited (AIM: SGZ), announces that it has entered into a short term Loan Facility with Bridge Barn Limited ("Bridge Barn") a company owned and controlled by Nathaniel Le Roux (Non-Executive Director) providing £250,000 to Scotgold (the "Short Term Loan Facility").

The Short Term Loan Facility has been provided to cover the Company's immediate working capital requirements which have been impacted by the delay in shipment of the Company's gold concentrate from port, due to current macro and geo-political events impacting global shipping lines. Production and the Company's mine optimisation plan to ramp up the production profile of its Cononish gold mine continue to progress in line with management's expectations.

Short Term Loan Facility

The Short Term Loan facility is being provided to SGZ Cononish Ltd (SC569264), a 100% owned subsidiary of the Company ("Borrower") by Bridge Barn Limited ('Bridge Barn') pursuant to an amendment and extension of the existing restated facility agreement entered into with Bridge Barn Limited on 1st January 2022. The principal points of the Short Term Loan Facility are as follows:

Principal: £250,000.00
Borrower: SGZ Cononish Ltd, a 100% owned subsidiary of the Company.
Lender: Bridge Barn Ltd, a company incorporated in England and Wales which is wholly owned and controlled by Mr Nat le Roux.
Term: Repayable by the Company within 30 days of the date of drawdown.
Interest: 9.0%.

Security:

Existing Debenture over the assets and undertakings of all of the assets of the Borrower and the Company's wholly owned subsidiary SGZ Grampian Limited (SC309525) together with share pledges over the issued share capital of the Borrower and SGZ Grampian Limited

Related Party transaction:

Bridge Barn is a company owned and controlled by Mr Nat le Roux, who is a Non-executive Director of the Company and a Substantial Shareholder as defined by the AIM Rules for Companies. The details of the Restructured Loan entered into by Bridge Barn and the Borrower and the further details as required to be disclosed under Schedule 4 of the AIM Rules for Companies are provided above.

The provision of the Short Term Loan Facility by Bridge Barn constitutes a related party transaction pursuant to Rule 13 of the AIM Rules for Companies. Accordingly, the board of Scotgold, excluding Nat Le Roux who is precluded from opining consider, having consulted with SP Angel, the Company's nominated adviser, that the provision of the Short Term Loan Facility is fair and reasonable insofar as its shareholders are concerned.

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.

****ENDS****

Scotgold Resources Limited	SP Angel Corporate Finance LLP	Celicourt Communications
Chief Executive Officer	Nomad and Broker	Financial PR
Philip Day	Ewan Leggat / Charlie Bouverat	Felicity Winkles
	Tel +44 (0) 20 3470 0470	Tel +44 (0) 208 434 2643 Tel +44 (0) 774 8843 871

Notes

Scotgold Resources Ltd (AIM:SGZ), is Scotland's first commercial gold producer. The Company poured first gold in November 2020 at its Cononish Gold and Silver Mine ('Cononish) in Tyndrum, Scotland and is developing it into a +23,500-ounce gold mine per annum by end of Q1 2023. Cononish is a high-grade underground mining operation with a central processing plant producing gold concentrate for off-take and gold doré for the Scottish Jewellery industry. Once in full production, the mine has anticipated forecast operating costs of c.£544/oz AISC, which will place Cononish in the lowest quartile of gold mining operations globally.

It is Scotgold's vision to build a mid-tier gold mining company in Scotland with multiple operations in the country that enhance the local environment and economy in ways that have an enduring positive impact.