

SCOTGOLD RESOURCES

Investor Meet Company Webinar – 26 September 2022

OPTIMISATION: DRIVING PRODUCTION



STRATEGY TO CREATE ENDURING VALUE

VISION TO BUILD A MULTI-ASSET GOLD PRODUCER IN SCOTLAND

OPTIMISE VALUE AT
CONONISH

GROWTH - RESOURCE
EXPANSION &
REGIONAL
EXPLORATION

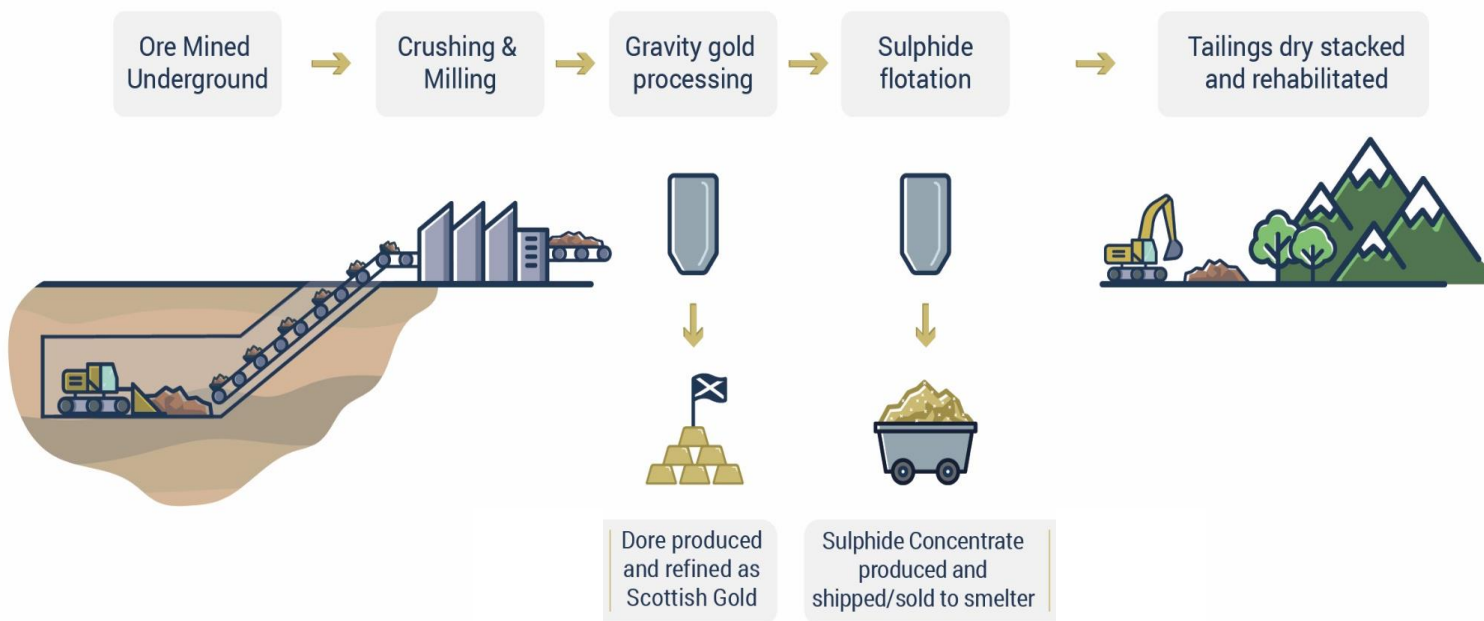
PEOPLE
INVESTMENT AND
COMMITMENT TO
SUSTAINABILITY

DELIVERING LONG TERM SUSTAINABLE GROWTH AND RETURNS
FOR ALL STAKEHOLDERS

CONONISH – HOW WE MAKE GOLD



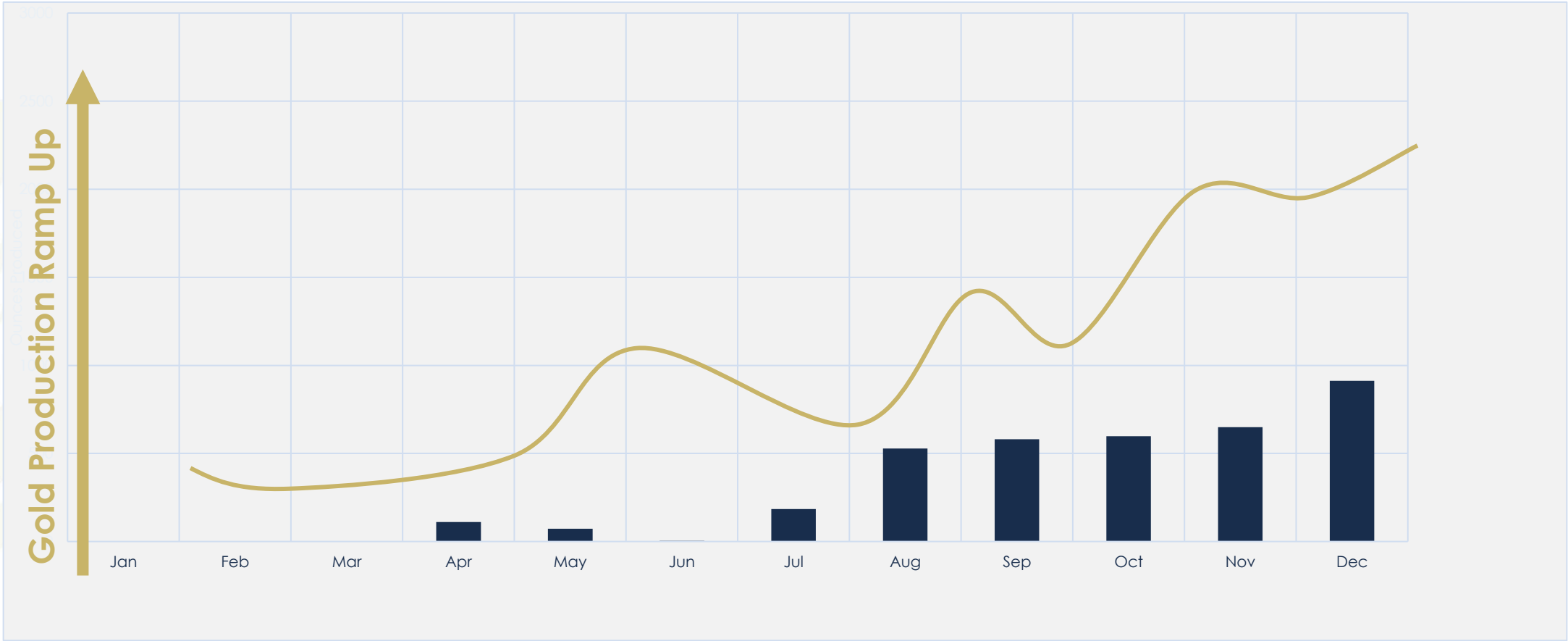
CLEAN GOLD – NO CYANIDE USED FOR GOLD DORE OR CONCENTRATE



2022 PRODUCTION PLAN



GOLD PRODUCTION RAMP UP



OPTIMISATION INITIATIVES 2022/23 - MINE



TO ENHANCE EFFICIENCIES, MINING RATES, GOLD RECOVERY AND PRODUCTION

Enterprise resource &
mining mobile
equipment

Q2 ✓

Power and ventilation
upgrades –
underground mine

Q3 ✓

Underground resolution
drilling

Q4 ▶

Processing
rate

3,000t pcm
(c.9,000 oz run rate
Au p.a.)

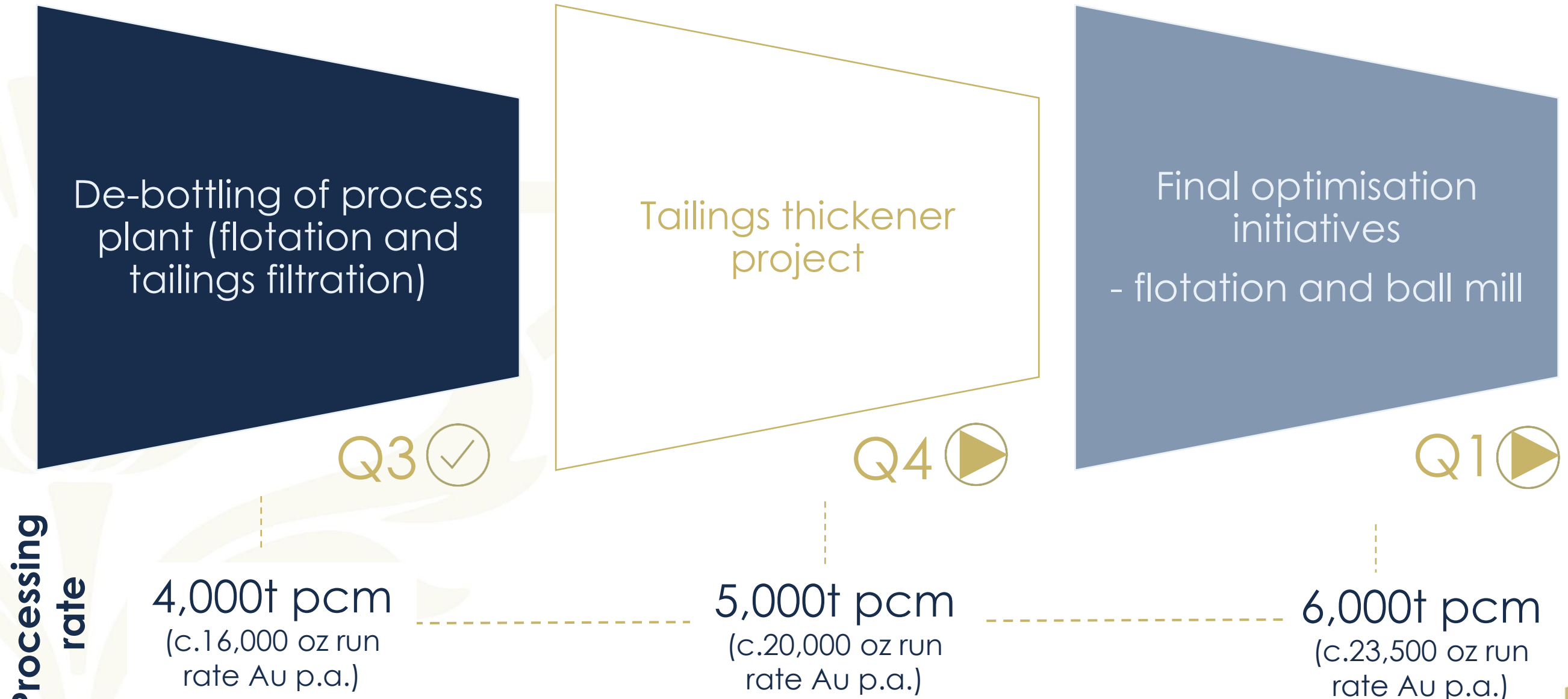
4,000t pcm
(c.16,000 oz run
rate Au p.a.)

6,000t pcm
(c.23,500 oz run
rate Au p.a.)

OPTIMISATION INITIATIVES 2022/23 - PROCESS PLANT



TO ENHANCE EFFICIENCIES, MINING RATES, GOLD RECOVERY AND PRODUCTION



POWER AND VENTILATION UPGRADES – UG MINE

IMPROVE ACCESS, INCREASE MINING RATE AND ORE EXTRACTION

Transformers and ventilation fans installed – completed late Aug 22

Benefits include:

- ✓ Direct power for mine development work
- ✓ Improved access for underground development
- ✓ Increased mining rate and ore extraction
- ✓ Improved airflow



Transformer



Ventilation

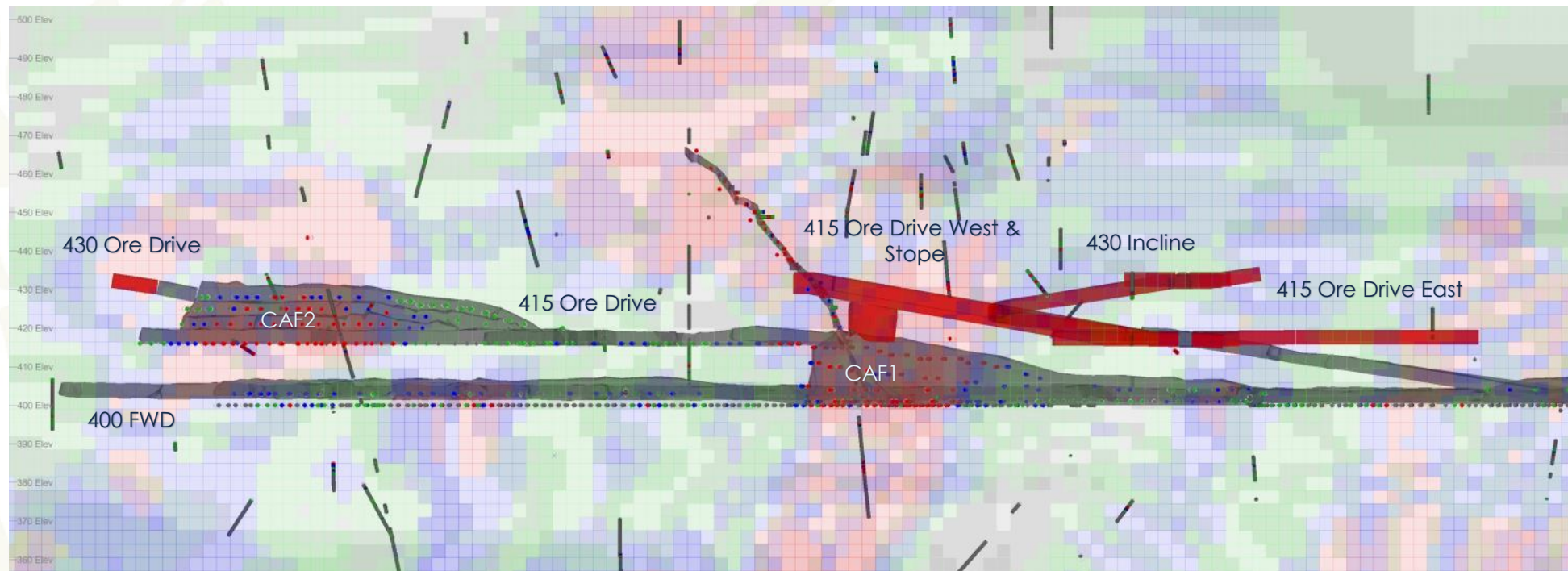
2022 OPTIMISATION MINE PLAN: PLAN VIEW



ADDITIONAL CUT AND FILL STOPE

Power and Ventilation enables the following for Q4 2022/Q1 2023:

- Mine development as mine ramps up for Phase 2 production
- Access to CAF 3 for mining and extraction
- Resolution drilling on 430/415 level commencement for long hole stoping
- Parallel mining to occur on waste ramp giving further access to higher levels of the mine
- Opens further faces in the mine for ore extraction



Model Grade Legend

High Grade Ore	>10g/t
Low Grade Ore	3.5 – 10 g.t
Adhoc Ore	1 – 3.5 g/t
Waste	<1g/t

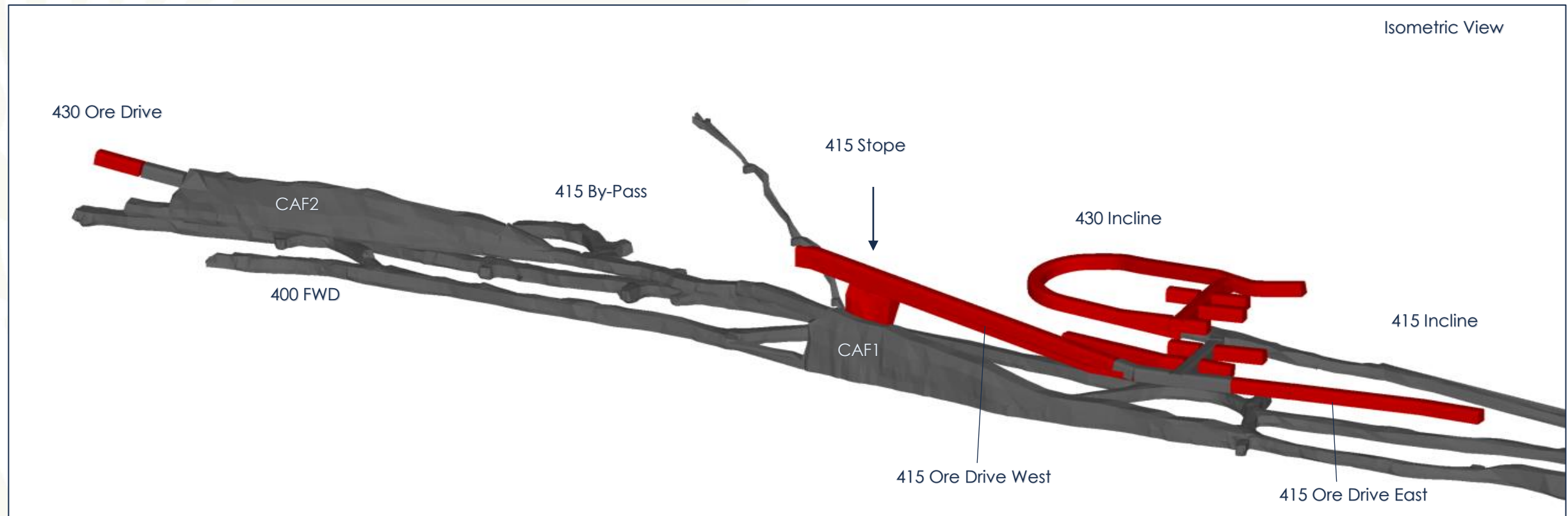
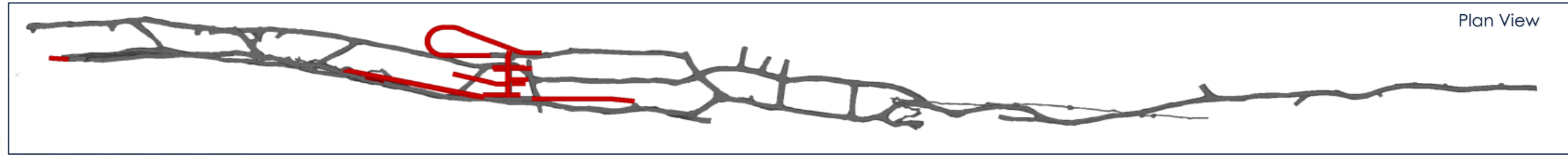
Existing Adit

YTD Mining Shapes
2022 Mining Shape

2022 OPTIMISATION MINE PLAN: ROTATED VIEW



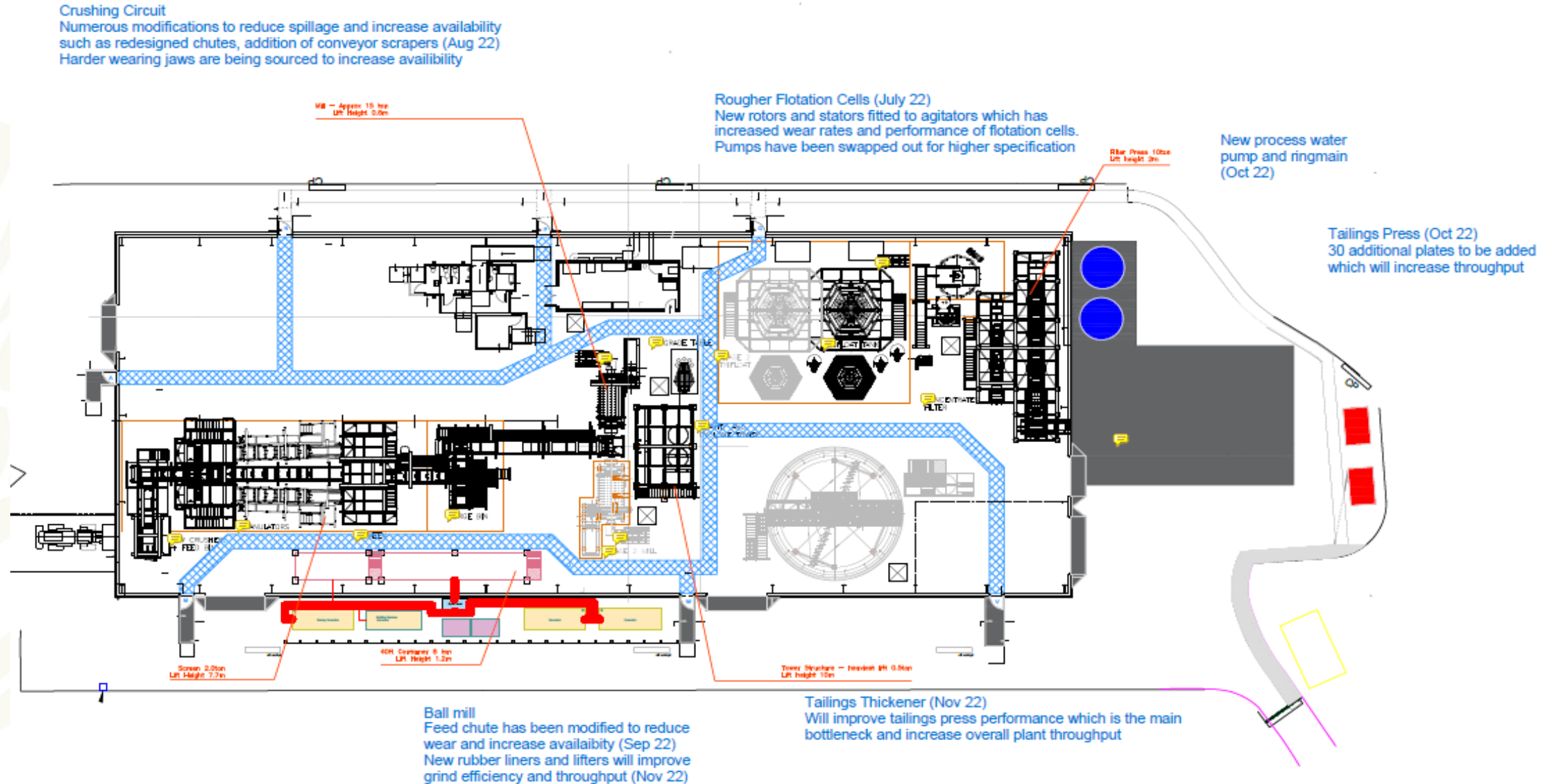
PREPARING FOR LONG HOLE STOPING BY DECEMBER 2022



PROCESS PLANT SCHEMATIC



PLANNED PROJECTS TO OPTIMISE PLANT THROUGHPUT TO 6,000T PCM



DEBOTTLENECKING OF PLANT – 4,000T PCM (16,000oz Au p.a. run rate)

ENHANCING PROCESSING RATES, EFFICIENCIES AND GOLD RECOVERIES

Incremental debottlenecking of process plant was undertaken by technical and maintenance team in Jul/Aug/Sept 2022

Increased processing rates up to:

- ✓ 8 tonnes per hour
- ✓ 4,000t pcm (c.16,000 ounces p.a. run rate of gold)
- ✓ 33% increase to previous estimates

Flotation section which produces a high-grade gold concentrate

- Upgrade rotor, stators, agitator shafts and support bearings (far more robust)

Ball Mill which grinds all ore in preparation for flotation separation

- Upgrade feed chutes
- Upgrade pumping



Flotation

FURTHER ENHANCEMENT OF PLANT TAILINGS THICKENER – 5,000T PCM (20,000oz Au p.a. run rate)

ENHANCING PROCESSING RATES, EFFICIENCIES AND GOLD RECOVERIES

Tailings thickener arrived July 2022 and installation began early August 2022

Planned commissioning moved to Q4 2022 to enable smooth implementation

Decrease the filtration and total time per cycle of the filter thereby increase throughput

- ✓ Once commissioned – Targeted increase processing rates to 5,000t pcm (c.20,000 ounces p.a. run rate of gold)
- ✓ 11% increase to previous estimates



FINAL OPTIMISATION OF PLANT – 6,000T PCM (23,500oz Au p.a. run rate)

ENHANCING PROCESSING RATES, EFFICIENCIES AND GOLD RECOVERIES

Further optimisations planned Q4 2022/Q1 2023

Adding further filtration plates and conduct further optimisation around tailings filter with the additional filter plates and thickened slurry from the tailings thickener

✓ Once completed – targeted increase processing rates to 6,000t pcm (c.23,500 ounces p.a. run rate of gold)

✓ Achieving Phase 2 production

Tailings filtration which filters all tailings and produces dry tailings for deposition
- Optimisation of parameters



MINING UPGRADES TAKE TIME UNTIL RESULTS SEEN

ORE EXTRACTION IN OCTOBER TO DECEMBER WILL INCREASE PROGRESSIVELY

- Once upgrades are successfully installed and commissioned, there is a lag until the increase in ore tonnes fed to the process plant is realised
- In September this example was highlighted as the electrical power and ventilation commissioning extended 3 weeks longer than anticipated
- Significant effort was made to prevent this, however it had a knock-on effect on September production due to delayed waste ramp mining and access to the next area of ore

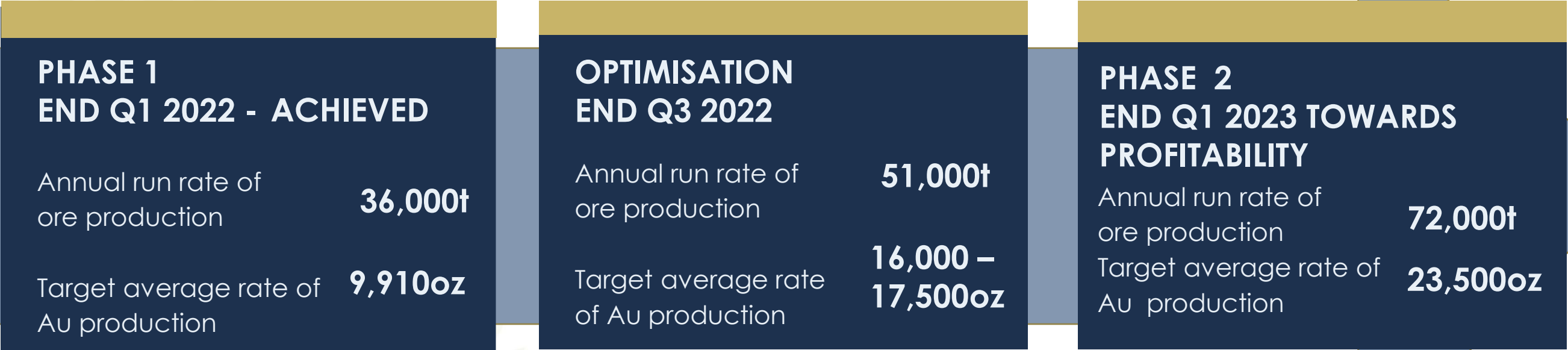
Lessons Learnt:

- ✓ Conducting projects and operating a gold mine concurrently is complex work
- ✓ Our risk review process identifies these risks
- ✓ Mitigations of risk need to account for higher complexity

2022 – 2023: MINE OPTIMISATION & GROWTH



FOCUSED ON OPTIMISING VALUE OF CONONISH



PHASE 2 - EXPECTED REVENUE OF C.£30M P.A. AND EBITDA OF C.£21.5M P.A.



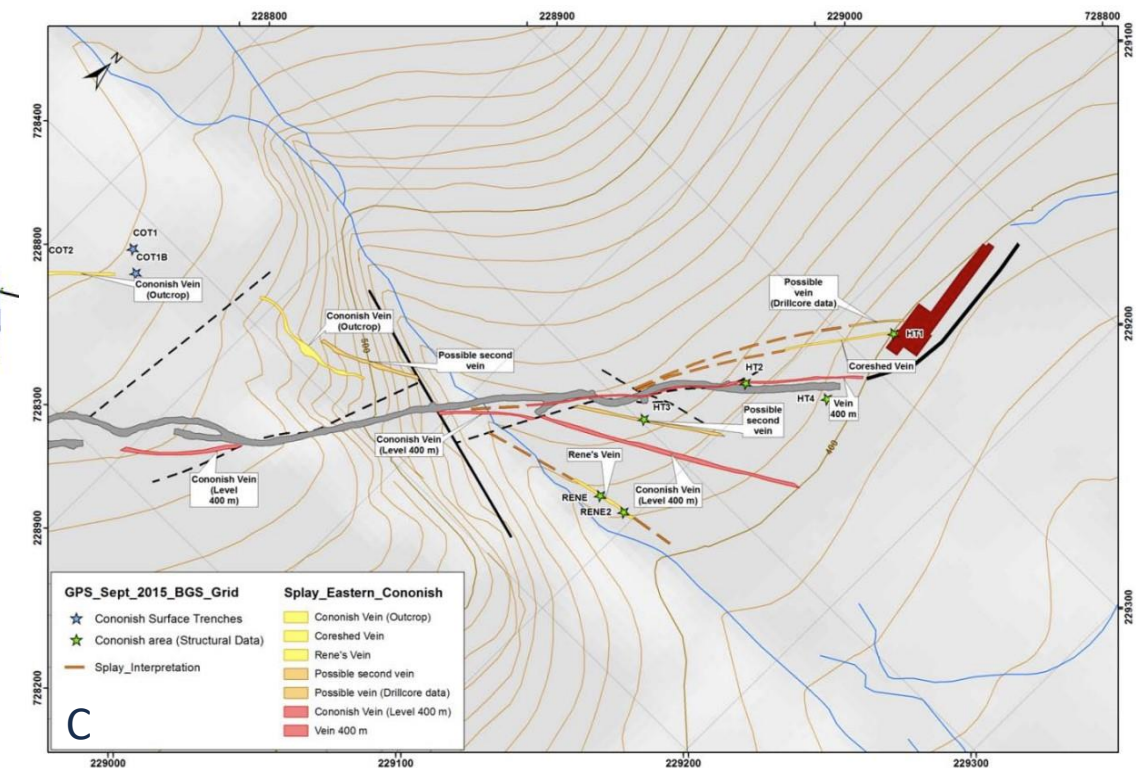
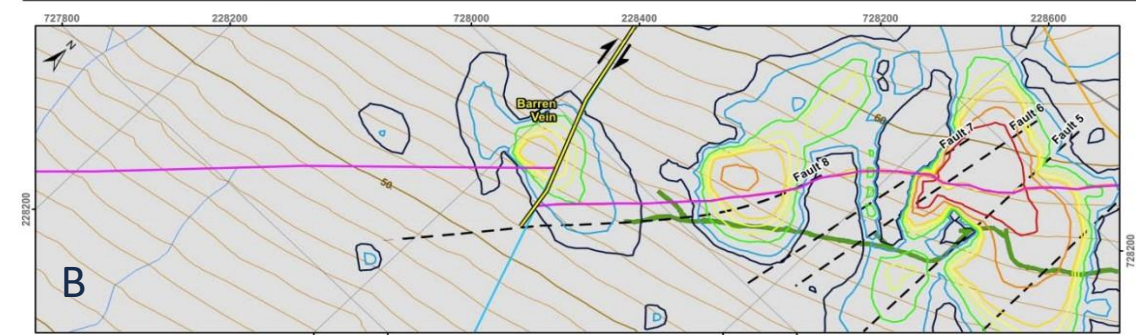
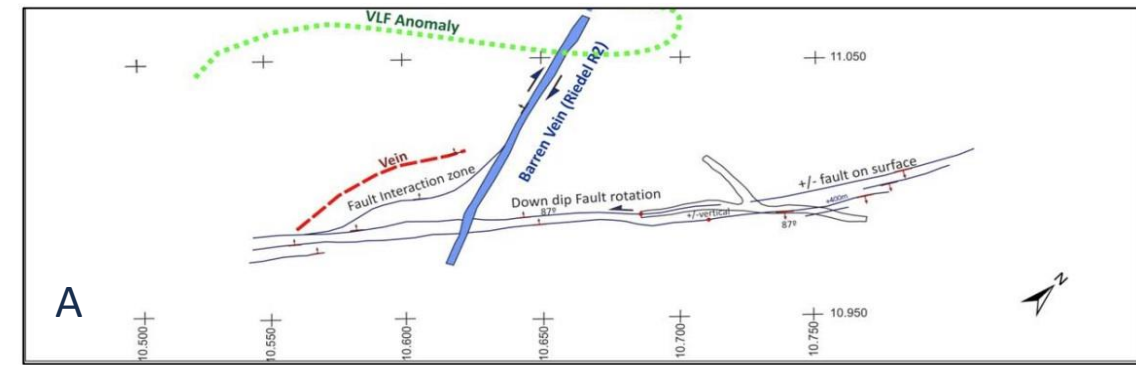
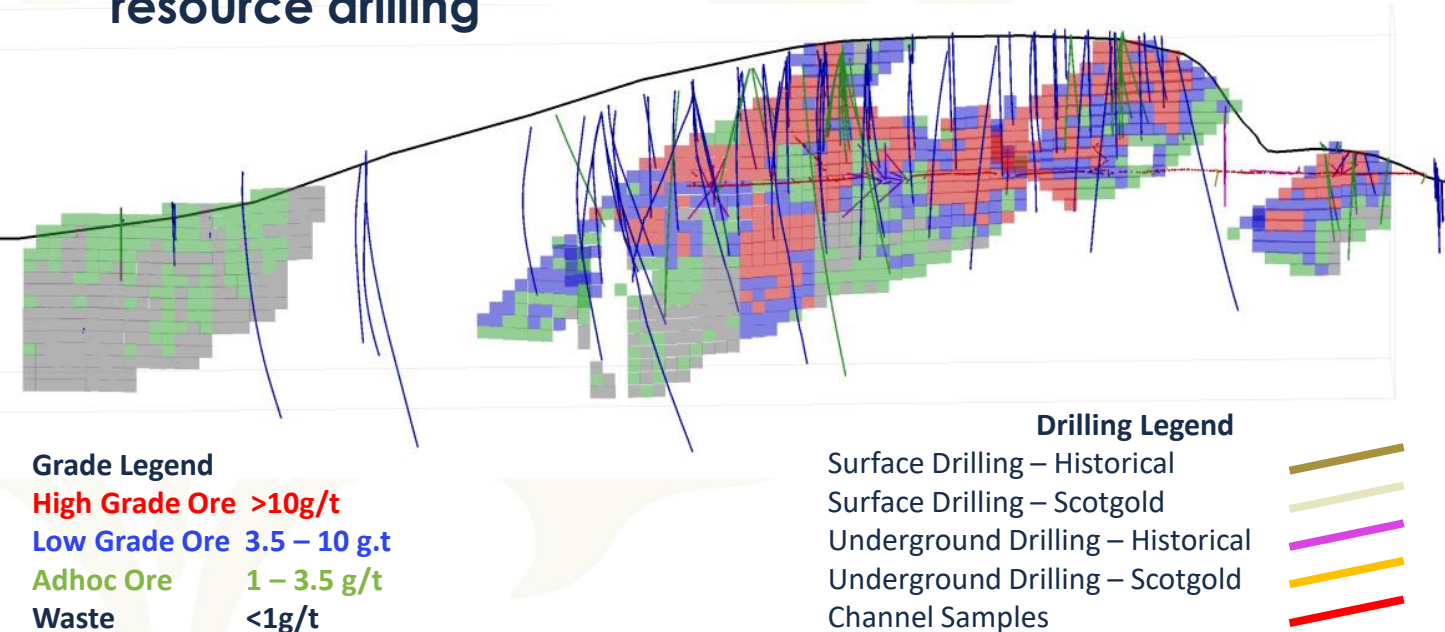
2022-2023: GROWTH THROUGH EXPLORATION

EXPLORATION CONONISH

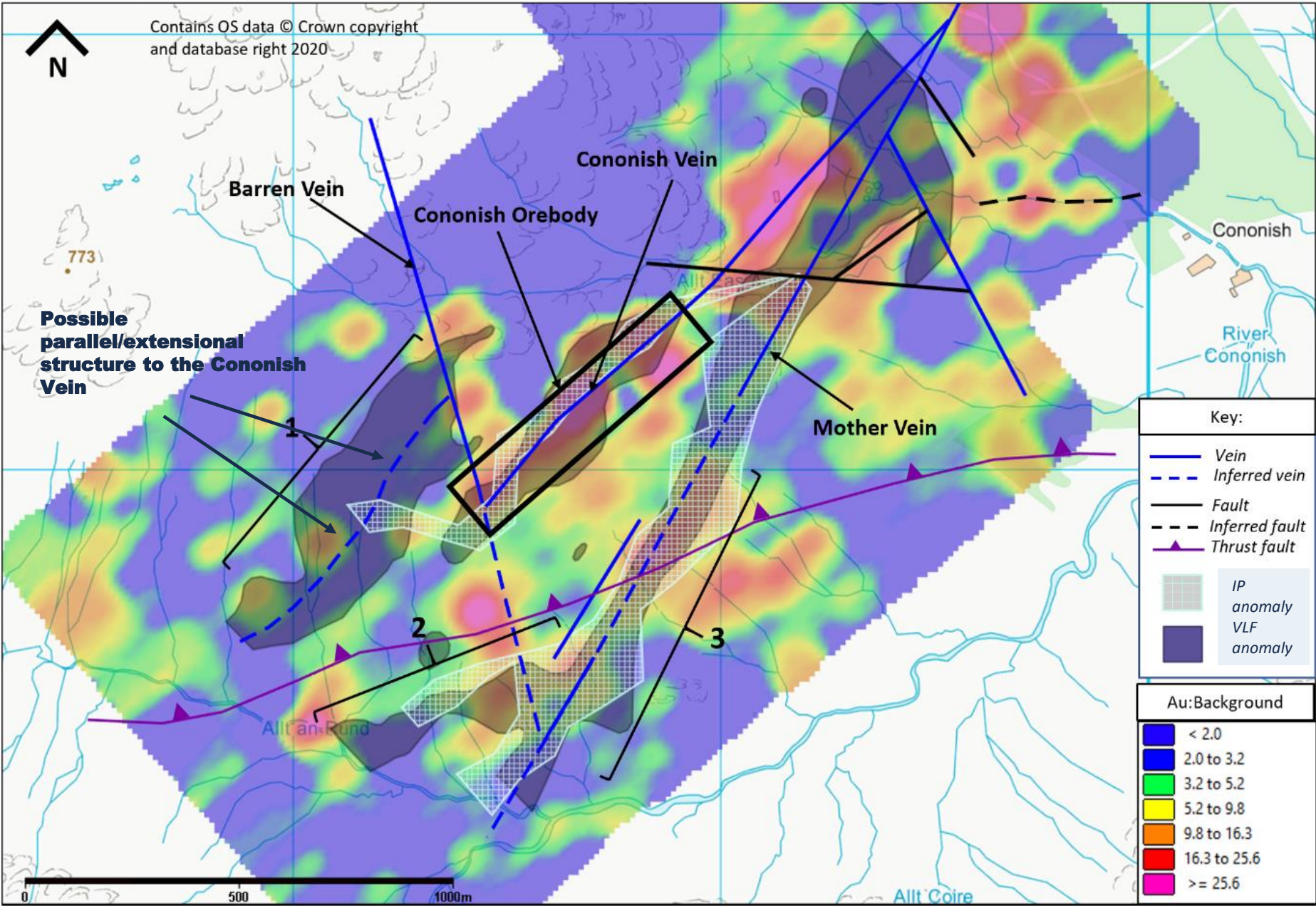
GROWTH THROUGH RESOURCE EXPLORATION

- Current Cononish resource can be increased via exploratory drilling:
 - Increase knowledge of undefined areas
 - Targeted drilling for down dip and speculated plunge extensions
 - Test interpreted structural displacements at the west end of the vein
 - Investigate vein splays at the eastern end of the vein

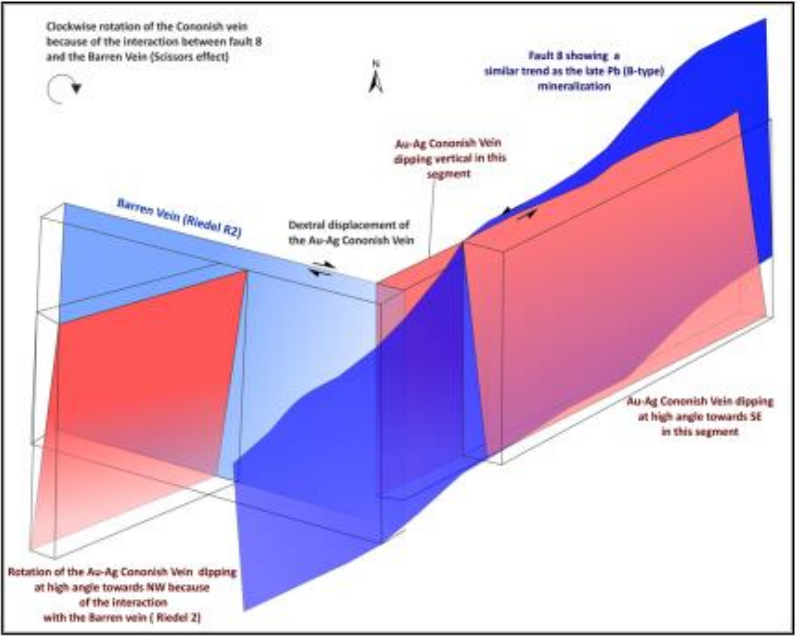
Current Cononish resource drilling



NEAR MINE EXPANSION TARGETS



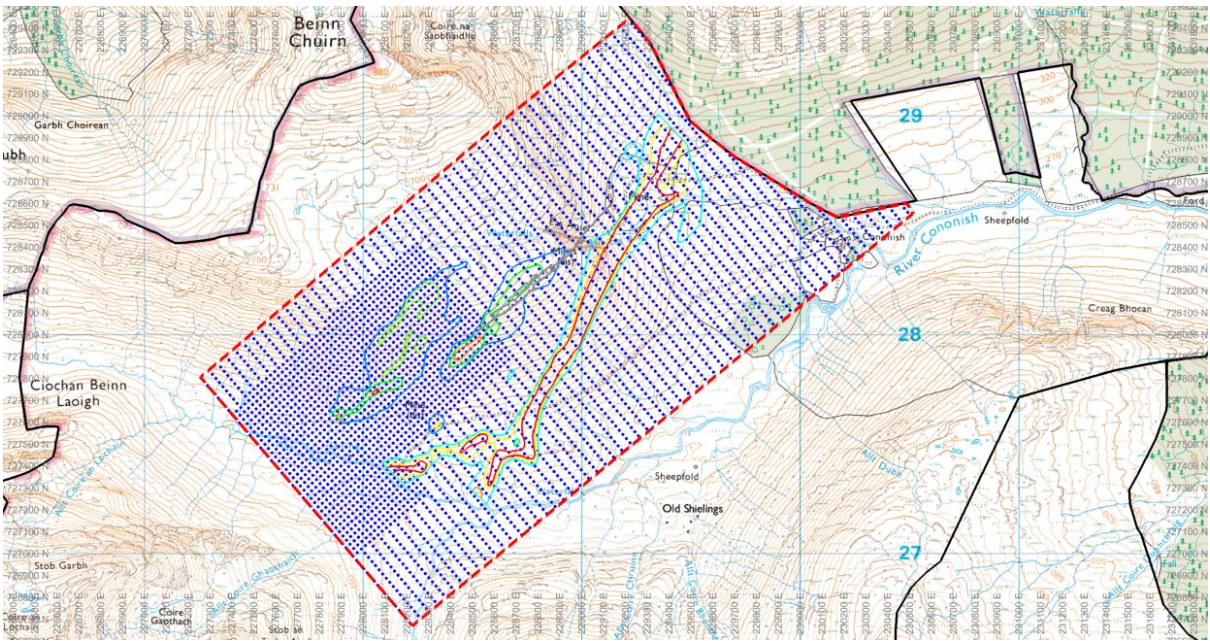
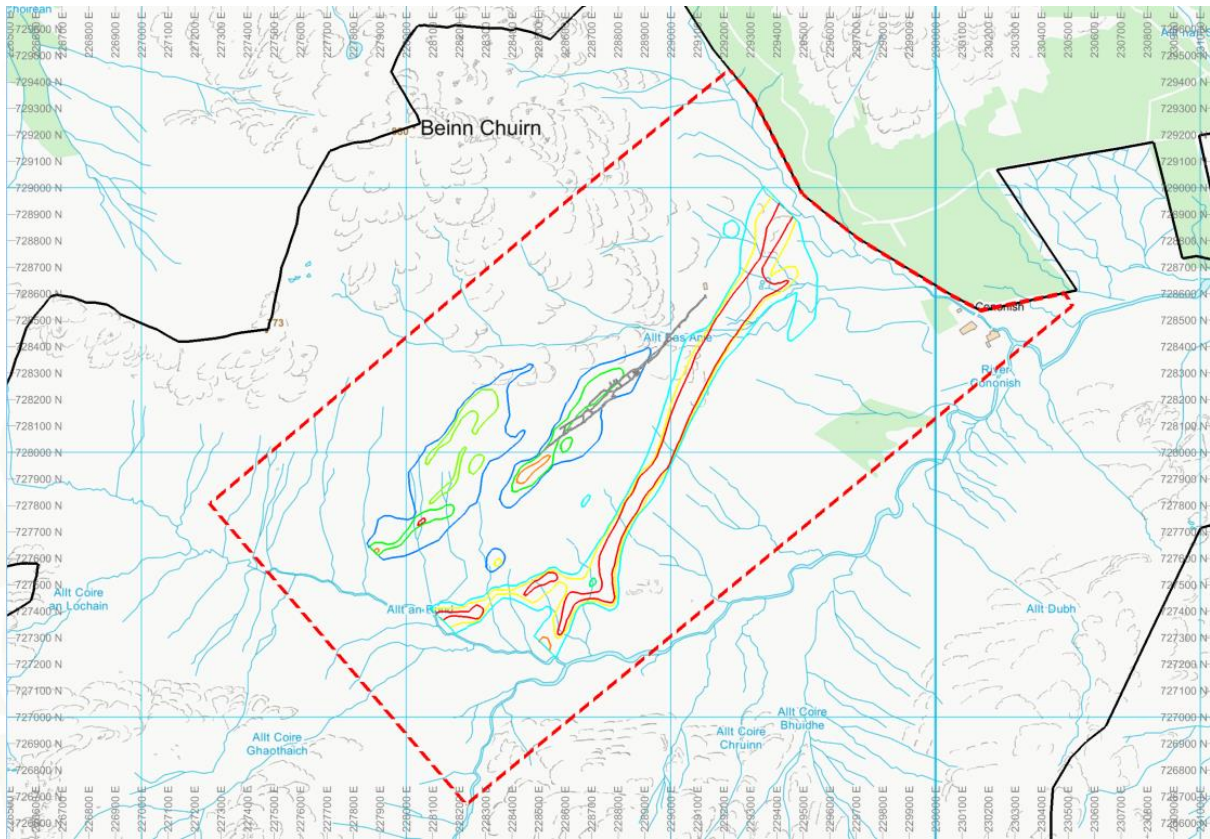
Historical VLF data suggests that the Barren Vein may have off set the Cononish Vein and a possible parallel/extensional structure to the Cononish Vein may be present to the west.



EXPLORATION – VERY LOW FREQUENCY (VLF) MAGNETICS



WORK BEING COMPLETED CURRENTLY TO DETERMINE 2023 EXPLORATION DRILLING



VLF over a grid spacing of 50m, with a closing spacing of 25m over the key structure

Area where VLF magnetics work is being conducted, showing the target structures



ESG AND OUR WORK WITH THE COMMUNITY

COMMITMENT TO SUSTAINABILITY

OUR SCOTTISH GOLD IS RESPONSIBLY PRODUCED

- Operating in the country's first national park, SGZ has an important duty of care to the environment
- Scotgold embraces the principles of sustainability in all aspects of its business
- Completed ESIA and Decommission and Restoration Plan

Best in class processes to support sustainability:

- Dry stack tailings
- One of the only global gold producers that do not use cyanide
- Protection of ecology
- National park improvement plan

Commitment to reduce CO2 emission

Under review – Hydro power

Foundations for sustainable and responsible mining:

Compliance with legal requirements



Good corporate governance

OUR PEOPLE



INVESTING IN OUR PEOPLE TO DELIVER EXCEPTIONAL OUTCOMES

Headcount increased
156% since Apr 2021

96 employees
(51 Scottish)

Growing the team
further in 2022/2023

ZERO HARM

DEDICATED TO THE SAFETY OF OUR WORKFORCE, LOCAL COMMUNITIES AND THE ENVIRONMENT

Dedicated to the
safety of our people,
communities and
environment

Rigorous H&S training
programmes

COMMUNITY RELATIONSHIP



WHAT WE'VE ALREADY ACHIEVED

- Supporting the work of **Loch Lomond and The Trossachs National Park** and contributing to the **Strathfillan Development Trust**
- Providing a Scotgold Resources Bursary to **University of St Andrews** in addition to supporting teaching programme on MSc Strategic Earth Resources

OUR PLANS

- Work experience / apprenticeship programmes
- Local employment drive
- Targeted volunteering efforts
- Supporting local organisations

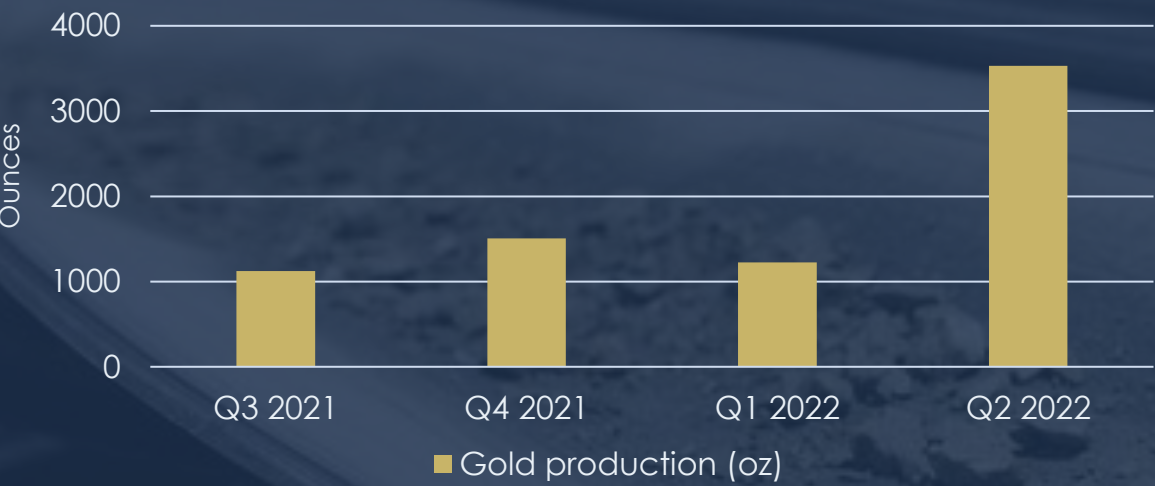


2022-2023: DRIVING SHAREHOLDER VALUE

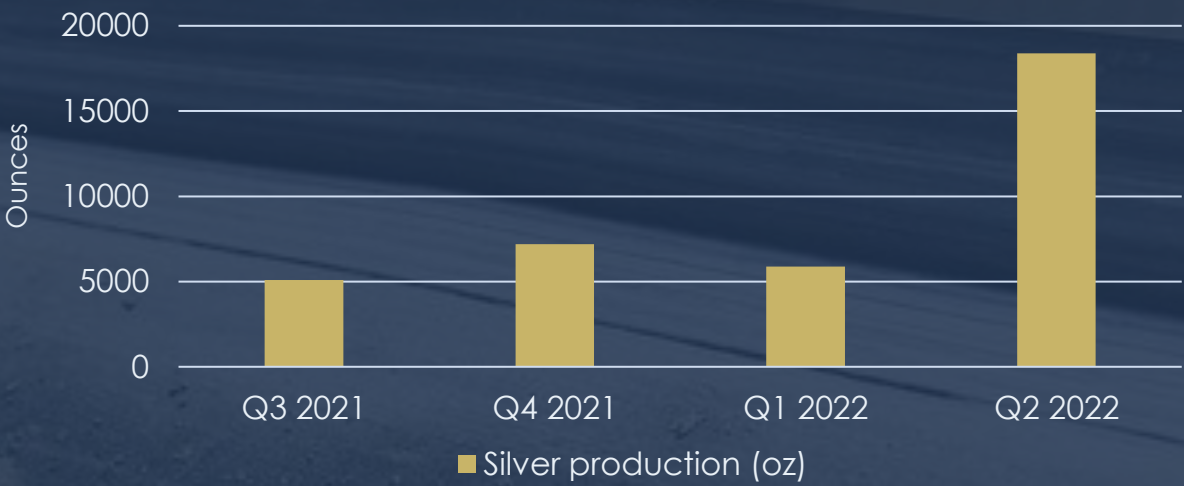
INCREASING PRODUCTION AND SALES

TRANSLATING INTO SIGNIFICANT CASH GENERATION

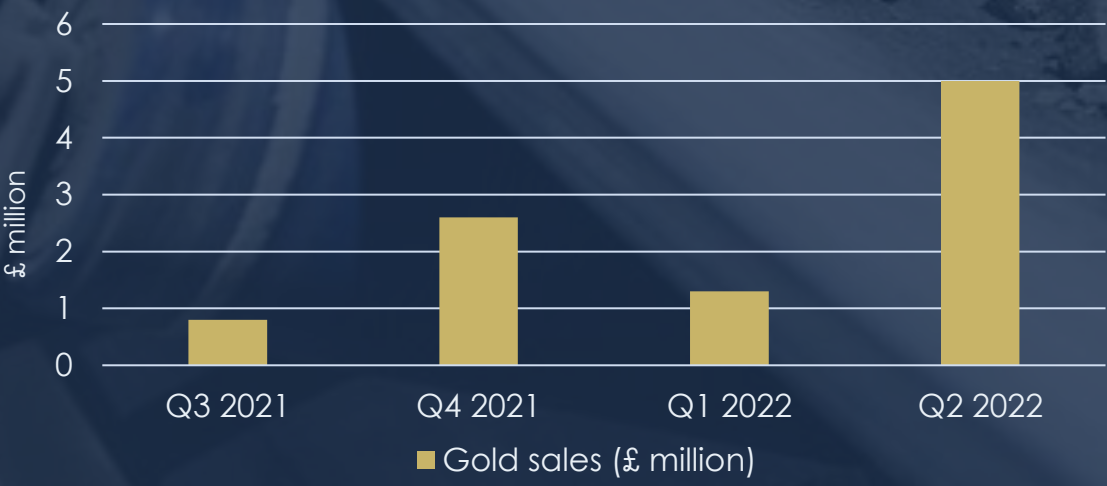
Quarterly gold production



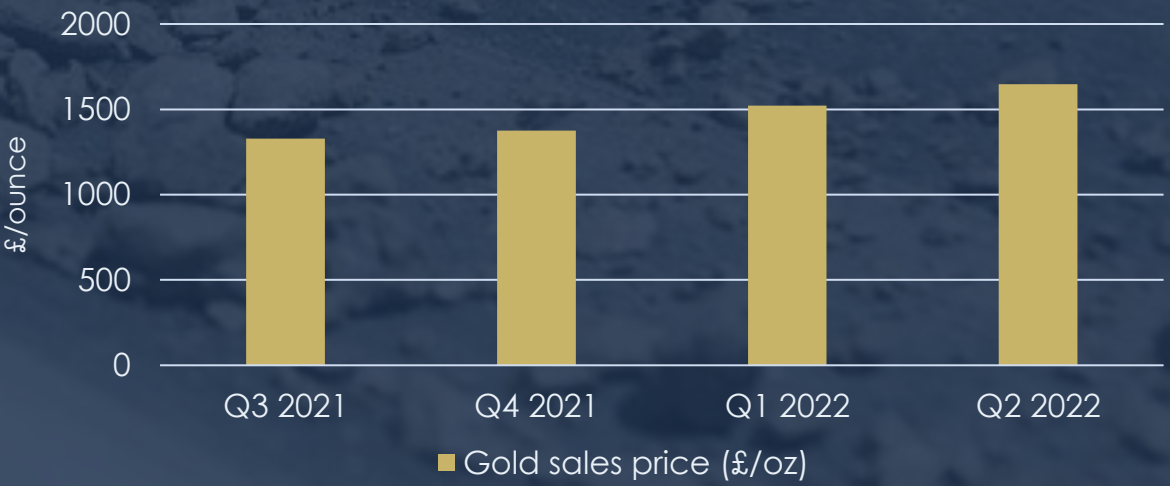
Quarterly silver production



Quarterly gold sales



Quarterly gold sales price (£/ounce)



2022-2023: DRIVING SHAREHOLDER VALUE



PRODUCTION

- Gold concentrate - target 16,000-17,500ozAu run rate p.a. near-term
- Target +23,500oz Au run rate p.a. in 2023

OPTIMISATION

- Majority projects completed
- Q4/Q1 2023 will see production ramp up

GROWTH

- Resource/Reserve expansion at Cononish
- Significant potential to increase the resources, reserves and LOM

EXPLORATION

- Regional exploration
- Building a multi-asset gold production company in Scotland

CASH GENERATION

- Cash generation forecast to increase in Q4 and further when in Phase 2
- Expected av. revenue of c.£30M p.a. during Phase 2, EBITDA of c.£21.5M p.a.

SCOTTISH GOLD

- Only commercial gold mine in Scotland
- Producing SMO Scottish gold

APPENDICES

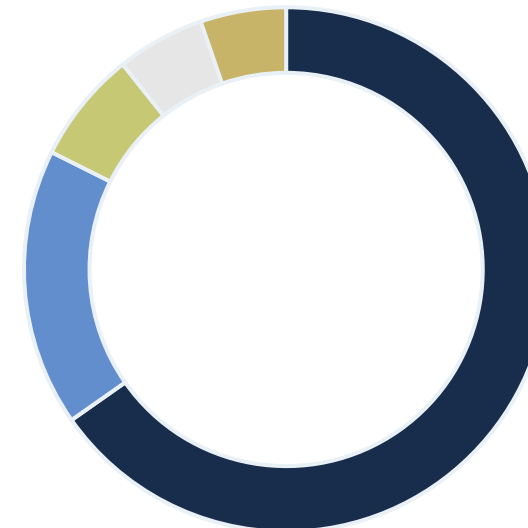


KEY DATA



Market listing: AIM	Ticker: SGZ	Market cap: £38.26M
Share price: 64.25p (23.09.22)	Shares in issue: 59,523,291	

Investor	Holding
Nat le Roux	41.52%
William Styslinger	10.89%
Peter Hetherington	4.40%
Charles Outhwaite	3.45%
Holywell Alpaca Settlement	3.36%



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BOARD



Peter Hetherington | Chairman

Previously Chief Executive Officer of Schroders Personal Wealth and IG Group Holdings Plc. A degree in Economics from Nottingham University and Masters in Finance from London Business School. Mr Hetherington also served as an officer in the Royal Navy.



Phil Day | CEO & MD

25 years experience as a senior mining executive. Most recently held the position Head of Technical and Operations at Pala Investments, and concurrently Chief Operating Officer and NED at Sierra Rutile Limited and Nevada Copper Corp, whilst at Pala.



Sean Duffy | CFO

25 years of finance experience in the mining industry, previously as CFO and Company Secretary for ASX and UK Listed Adriatic Metals Plc, TSX-V and ASX-listed Black Dragon Gold, TSX-V listed Asian Mineral Resources and Anglo Asian Mining Plc. He has held senior finance roles at BHP Billiton's global operations, including Finance Director of BHP Billiton Indonesia.



Evan Spencer | Non-Executive Director & Tech Committee

Mr Evan Spencer is an experienced executive with over 25 years in the mining and minerals industry. He has depth of experience in managing and developing mining operations both underground and open pit globally, including securing permitting approvals and joint venture management agreements and brings extensive technical and strategic leadership skills to the Scotgold team.



Nat le Roux | Non-Executive Director

Former Chief Executive of IG Group Plc between 2002 and 2006 and independent director of the London Metal Exchange from 2008 to 2016. Born in Scotland, he holds an MA in Law from Cambridge University and an MSc in Anthropology from University College London



Richard Barker | Non-Executive Director

Richard is a corporate advisor with extensive experience within Australia and the UK within the minerals and petroleum sectors. He has acted as company secretary and director for listed and privately funded companies. He holds Bachelor and Masters of Laws degrees.



William "Bill" Styslinger III | Non-Executive Director

Bill is a director of Nasdaq listed Casa Systems Inc. and served as Chairman, President and Chief Executive Officer of SeaChange International Inc. Bill is a board member of banking software company, Metrosoft Inc, and was previously a member of the board of directors of Omtool. Bill holds a B.S. degree in Engineering Science from the State University of New York at Buffalo.



Ian Proctor | Non-Executive Director

A Chartered Accountant, currently Executive Chairman for UK and Ireland of Flutter Plc. Previously CFO and CEO of Sky Betting and Gaming ("SBG"). He played a key role in the buy-out of SBG from BSkyB Plc, the preparation for public listing, and sale to The Stars Group.

SCOTLAND

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