

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A BREACH OF THE RELEVANT SECURITIES LAWS OF SUCH JURISDICTION.**

**This Announcement does not constitute a prospectus or offering memorandum or an offer in respect of any securities and is not intended to provide the basis for any investment decision in respect of Scotgold Resources Limited or other evaluation of any securities of Scotgold Resources Limited or any other entity and should not be considered as a recommendation that any investor should subscribe for or purchase any such securities.**

**This Announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"). In addition, market soundings (as defined in UK MAR) were taken in respect of certain of the matters contained in this Announcement, with the result that certain persons became aware of such inside information, as permitted by UK MAR. Upon the publication of this Announcement, this inside information is now considered to be in the public domain and such persons shall therefore cease to be in possession of inside information.**

**For immediate release**

10 February 2023

**Scotgold Resources Limited**  
**("Scotgold " or the "Company")**  
**Results of Capital Raise**

Scotgold Resources Limited ("**Scotgold**" or the "**Company**") (AIM: SGZ), the gold exploration and production company focused on Scotland, is pleased to announce that following the accelerated bookbuild which was announced on 9 February 2023, the Company has conditionally raised gross proceeds of £2.5 million (US\$3.05 million) through the Capital Raising (the "**Placing**") of, and subscriptions by certain directors of the Company and a significant shareholder (the "**Subscription**" or "**Subscriptions**") for, 6,250,000 new Ordinary Shares ("**Placing Shares**" and "**Subscription Shares**") at a price of 40p (the "**Placing Price**") per share.

Shore Capital Stockbrokers ("**Shore Capital**") acted as Sole Bookrunner.

Capitalised terms used in this announcement (this "**Announcement**") have the meanings given to them in the launch announcement, unless the context provides otherwise.

**Highlights**

- The Company has conditionally raised, in aggregate, £2.5 million (US\$3.05 million) at a price of 40 pence per new Ordinary Share.
- Seven Directors of Scotgold and a significant shareholder are participating in the Subscription for a total of 1,435,000 Subscription Shares with a total value of £574,000 (US\$700,280).
- Conditionally, in aggregate, a total of 6,250,000 New Shares will therefore be issued, representing approximately 9.48 per cent. of the enlarged share capital.

### **Retail Offer**

As part of the Capital Raising, the Company announced on 9 February 2023 that it was launching a separate retail offer of up to 1,250,000 new Ordinary Shares at the Placing Price on the BookBuild Platform to raise up to a further £500,000 (approximately US\$609,000) to provide existing retail shareholders in the United Kingdom with an opportunity to participate in the Capital Raising. A separate announcement will be made on the result of the Retail Offer, expected to be released on 16 February 2023.

### **Admission**

Application will be made for the admission of the Capital Raising Shares to trading on the AIM market of London Stock Exchange plc ("**Admission**"). It is expected that such Admission will take place at or around 8.00 a.m. (London time) on 17 February 2023.

### **Related Party Transactions**

The participation of the Subscribing Directors in the Subscription constitutes a related party transaction pursuant to AIM Rule 13 (the "**Subscription Related Party Transaction**"). The independent Director considers, having consulted with Shore Capital and Corporate Limited ("**Shore Capital**"), the Company's nominated adviser, that the terms of the Subscription Related Party Transaction are fair and reasonable insofar as Shareholders are concerned.

Further to the Capital Raising, Bridge Barn Limited, a company owned and controlled by Mr Nathaniel le Roux and provider of debt funding to the Company, has agreed the option to defer a total of £2.5 million capital repayments due by the Company in calendar year 2023 by up to 9 months from the due date. The loan agreement with Bridge Barn Limited has the option to be amended as follows:

- At Scotgold's option, repayment of each of these principal tranches may be deferred by up to 9 months from the due date; and
- In the event of deferral, an interest rate of 13% (non-compounding) shall apply for the deferral period. The current interest rate is 9%.

The potential deferral of capital repayments would be used to further exploration work - Resource Definition drilling in Cononish and exploration work on the wider Grampians area.

The deferral of capital repayments constitutes a related party transaction pursuant to AIM Rule 13 (the "**Loan Related Party Transaction**"). The independent Directors consider, having consulted with Shore Capital, the Company's nominated adviser, that the terms of the Loan Related Party Transaction are fair and reasonable insofar as Shareholders are concerned.

### **Enquiries:**

**Scotgold Resources Limited**

Phil Day, Chief Executive Officer

Via Celicourt Communications

**Shore Capital Stockbrokers Limited (NOMAD, Broker, Sole Bookrunner)**

+44 207 408 4050

Toby Gibbs / John More / Tom Knibbs

Felicity Winkles

### **About Scotgold Resources Limited**

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. 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. The mine has anticipated forecast operating costs of c.£610 per ounce in Q4 2023, 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.

### **Market Abuse Regulation**

This Announcement is released by Scotgold Resources Limited and contains inside information for the purposes of UK MAR and is disclosed in accordance with the Company's obligations under UK MAR. The person who arranged for the release of this Announcement on behalf of Scotgold Resources Limited was Phil Day, Chief Executive Officer.

### **Important Notices**

Shore Capital is a member of the London Stock Exchange and is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the "FCA"). Shore Capital is acting exclusively for the Company and no one else in connection with the Placing, and Shore Capital each not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

### **Forward-looking statements**

This Announcement contains statements about Scotgold that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this Announcement may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation,

statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Scotgold.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, UK MAR, the Prospectus Rules and/or the FSMA), Scotgold does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Scotgold or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Announcement are based on information available to the Directors at the date of this Announcement, unless some other time is specified in relation to them, and the posting or receipt of this Announcement shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings or losses per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings or losses per share of the Company.

The New Shares will not be admitted to trading on any stock exchange other than AIM.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this Announcement.

### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "UK Target Market Assessment").

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and

investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "EU Target Market Assessment" and, together with the UK Target Market Assessment, the "Target Market Assessments").

Notwithstanding the Target Market Assessments, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; Placing Shares offer no guaranteed income and no capital protection; and an investment in Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessments are without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessments, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessments do not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

The notification below, made in accordance with the requirements of the EU Market Abuse Regulation, provides further details of above transactions.

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	Peter Hetherington
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	Non-Executive Chairman
b)	Initial notification /Amendment	Initial notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	Scotgold Resources Limited
b)	LEI	213800HL5A2K7LW2G360
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	

a)	Description of the financial instrument, type of instrument  Identification code	Ordinary shares in the Company  AU000XINEAK5				
b)	Nature of the transaction	Purchase of shares				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="635 577 1286 819"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>40p</td> <td>250,000</td> </tr> </tbody> </table>	Price	Volume(s)	40p	250,000
Price	Volume(s)					
40p	250,000					
d)	Aggregated information  - Aggregated volume  - Price  - Total Value	N/A				
e)	Date of the transactions	9 February 2023				
f)	Place of the transaction	LSE, AIM Market (AIMX)				

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	Phil Day
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	CEO

b)	Initial notification /Amendment	Initial notification				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	Scotgold Resources Limited				
b)	LEI	213800HL5A2K7LW2G360				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument  Identification code	Ordinary shares in the Company  AU000XINEAK5				
b)	Nature of the transaction	Purchase of shares				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="635 1182 1286 1424"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>40p</td> <td>87,500</td> </tr> </tbody> </table>	Price	Volume(s)	40p	87,500
Price	Volume(s)					
40p	87,500					
d)	Aggregated information - Aggregated volume - Price - Total Value	N/A				
e)	Date of the transactions	9 February 2023				
f)	Place of the transaction	LSE, AIM Market (AIMX)				

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<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>							
a)	Name	Nathaniel Le Roux						
<b>2</b>	<b>Reason for the notification</b>							
a)	Position/status	Non-Executive Director						
b)	Initial notification /Amendment	Initial notification						
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>							
a)	Name	Scotgold Resources Limited						
b)	LEI	213800HL5A2K7LW2G360						
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>							
a)	Description of the financial instrument, type of instrument  Identification code	Ordinary shares in the Company  AU000XINEAK5						
b)	Nature of the transaction	Purchase of shares						
c)	Price(s) and volume(s)	<table border="1"> <tr> <td colspan="2">Purchase of shares:</td> </tr> <tr> <td>Price</td> <td>Volume(s)</td> </tr> <tr> <td>40p</td> <td>587,500</td> </tr> </table>	Purchase of shares:		Price	Volume(s)	40p	587,500
Purchase of shares:								
Price	Volume(s)							
40p	587,500							



d)	Aggregated information - Aggregated volume - Price - Total Value	N/A
e)	Date of the transactions	9 February 2023
f)	Place of the transaction	LSE, AIM Market (AIMX)

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	Ian Proctor
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	Non-Executive Director
b)	Initial notification /Amendment	Initial notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	Scotgold Resources Limited
b)	LEI	213800HL5A2K7LW2G360

<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument  Identification code	Ordinary shares in the Company  AU000XINEAK5				
b)	Nature of the transaction	Purchase of shares				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="635 689 1286 927"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>40p</td> <td>62,500</td> </tr> </tbody> </table>	Price	Volume(s)	40p	62,500
Price	Volume(s)					
40p	62,500					
d)	Aggregated information  - Aggregated volume  - Price  - Total Value	N/A				
e)	Date of the transactions	9 February 2023				
f)	Place of the transaction	LSE, AIM Market (AIMX)				

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	William Styslinger III

<b>2</b>	<b>Reason for the notification</b>					
a)	Position/status	Non-Executive Director				
b)	Initial notification /Amendment	Initial notification				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	Scotgold Resources Limited				
b)	LEI	213800HL5A2K7LW2G360				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument  Identification code	Ordinary shares in the Company  AU000XINEAK5				
b)	Nature of the transaction	Purchase of shares				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="635 1361 1286 1603"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>40p</td> <td>281,250</td> </tr> </tbody> </table>	Price	Volume(s)	40p	281,250
Price	Volume(s)					
40p	281,250					
d)	Aggregated information  - Aggregated volume  - Price  - Total Value	N/A				
e)	Date of the transactions	9 February 2023				

f)	Place of the transaction	LSE, AIM Market (AIMX)

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	Richard Barker
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	Non-Executive Director
b)	Initial notification /Amendment	Initial notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	Scotgold Resources Limited
b)	LEI	213800HL5A2K7LW2G360
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument	Ordinary shares in the Company
	Identification code	AU000XINEAK5
b)	Nature of the transaction	Purchase of shares

c)	Price(s) and volume(s)	Purchase of shares:	
		Price	Volume(s)
		40p	25,000
d)	Aggregated information - Aggregated volume - Price - Total Value	N/A	
e)	Date of the transactions	9 February 2023	
f)	Place of the transaction	LSE, AIM Market (AIMX)	

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	Evan Spencer
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	Non-Executive Director
b)	Initial notification /Amendment	Initial notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	Scotgold Resources Limited

b)	LEI	213800HL5A2K7LW2G360				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument  Identification code	Ordinary shares in the Company  AU000XINEAK5				
b)	Nature of the transaction	Purchase of shares				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="635 824 1284 1070"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>40p</td> <td>78,750</td> </tr> </tbody> </table>	Price	Volume(s)	40p	78,750
Price	Volume(s)					
40p	78,750					
d)	Aggregated information  - Aggregated volume  - Price  - Total Value	N/A				
e)	Date of the transactions	9 February 2023				
f)	Place of the transaction	LSE, AIM Market (AIMX)				