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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.

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

Proposed Capital Raising to raise a minimum amount of US\$2.0 million

Scotgold Resources Limited ("**Scotgold**" or the "**Company**") (AIM: SGZ), the gold exploration and production company focused on Scotland, intends to undertake a proposed Capital Raising of, in aggregate, a minimum amount of approximately US\$2.0 million (gross) by way of a placing (the "**Placing**") of new Ordinary Shares (the "**Placing Shares**") and approximately US\$669,000 (gross) by way of a proposed subscription by certain of the directors of the Company (the "**Subscription**" or the "**Subscriptions**") for new Ordinary Shares (the "**Subscription Shares**"), in each case at a price of 40 p (the "**Issue Price**") per share.

Scotgold also intends to carry out a separate offer (the "**Retail Offer**") of up to 1,250,000 new Ordinary Shares at the Issue Price on the Bookbuild Platform (the "**Retail Shares**" and, together with the Placing Shares and the Subscription Shares, the "**Capital Raising Shares**") to raise up to a further £500,000 (approximately US\$609,000) (before expenses) to provide existing retail shareholders in the United Kingdom with an opportunity to participate in Scotgold's capital raising plans. A separate announcement will be made in due course regarding the Retail Offer and its terms. For the avoidance of doubt, the Retail Offer is not part of the Placing.

It is expected that the Placing, the Subscription and the Retail Offer (together the "**Capital Raising**") will result in the Company raising total gross proceeds of at least US\$2.0 million.

The net proceeds of the Capital Raising will primarily be used to support delivery of the Company's 2023 mine plan and the move to long hole stoping at its Cononish Gold Mine in Scotland ('Cononish'), to support resource expansion at Cononish and to support Scotgold's regional exploratory drill programme, where the Company holds 2,900km² of licences in Scotland.

Whilst the Retail Offer is conditional on completion the Placing and the Subscription, the Placing and the Subscription are not conditional on completion of the Retail Offer.

The Placing will be effected by way of an accelerated bookbuild (the "**Bookbuild**"). The Bookbuild will open with immediate effect following release of this Announcement. A further announcement confirming the closing of the Bookbuild and the number of new Ordinary Shares to be issued pursuant to the Placing is expected to be made in due course. In the event of excess demand, the Company reserves the right to increase the size of the Capital Raising in its sole discretion.

In aggregate, seven Directors intend to subscribe for 1,372,500 new Ordinary Shares representing up to approximately US\$669,000 at the Issue Price pursuant to Subscription Agreements.

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 details of the Subscriptions will be set out in the announcement to be made following closure of the Bookbuild.

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.
- 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.

Phil Day, CEO of Scotgold, said:

"The additional funds raised through the Capital Raising will enable the Company to progress its 2023 mine plan and deliver full phase production of c.2,000 ounces of gold per month, with a target AISC of £610 per ounce in Q4 2023 with the mine running an average grade through the processing plant of c.12g/t Au year, to increase cash generation.

"In addition to realising full phase production at Cononish, we believe there is significant potential to increase the resource and reserves at Cononish and in turn the life of mine. It is our intention to utilise VLF Magnetic results received late 2022 and commence a drilling programme to firstly increase knowledge of the extension of the Cononish vein at depth through underground drilling, secondly explore the extension of the Cononish vein along strike (SW) and thirdly explore an additional vein (NE) that exists to the west of the barren vein, which is adjacent to the existing Cononish vein.

"We also have an additional 2,900km² of licences held in Scotland, running from Tarbet in the South-West to Blair Atholl in the North-East of Scotland along the Dalradian Gold Belt, where we plan to use the same methodology of exploration to develop future mining projects in Scotland. Ultimately our vision is to build an intergenerational mining company for the future as a multi-asset gold production company in Scotland.

"Our Board and team look forward to the future with confidence and the new funds will provide the financial firepower to help us achieve our goals and deliver the increase in shareholder value we believe is possible."

The Placing is subject to the terms and conditions set out in the Appendix to this Announcement (which forms part of this Announcement). The Retail Shares will be subscribed for on the basis of the terms and conditions of the Retail Offer, rather than pursuant to the terms and conditions of the Placing contained in the Appendix to this Announcement.

Each of the times and dates in this Announcement refer to London time and are subject to change by the Company and/or the Bookrunner. Any such change will be notified to Shareholders by an announcement on a Regulatory Information Service.

Capitalised terms used but not defined in this Announcement shall have the meanings given to such terms in the section headed 'Definitions' below, save that any capitalised term defined in the Appendix shall have such meaning in the Appendix to the exclusion, in the Appendix only, of any definition of such term elsewhere in this Announcement.

For further information please contact:

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Via Celicourt Communications

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ADDITIONAL INFORMATION ON THE CAPITAL RAISING

The Placing

The Placing has been arranged by Shore Capital, acting as sole bookrunner (the "**Bookrunner**"). The Placing will be conducted by the Bookrunner on behalf of the Company in accordance with the terms and conditions set out in the Appendix to this Announcement. The Placing is being conducted through the Bookbuild which will commence immediately following this Announcement.

The Bookbuild will determine final demand for, and participation in, the Placing. The Bookbuild is expected to close not later than 6:00 p.m. (London) today but may be closed at such earlier or later time as the Bookrunner may, in their absolute discretion (following consultation with the Company), determine. The number of Placing Shares and the making of allocations will be agreed between the Company and the Bookrunner and will be confirmed orally or by email by the Bookrunner following the closure of the Bookbuild. A further announcement will be made following the completion of the Bookbuild (the "**Result of Bookbuild Announcement**").

Attention is drawn to the detailed terms and conditions of the Placing described in the Appendix (which forms part of this Announcement). By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood

this Announcement in its entirety (including the Appendix) and to be making such offer on the terms and subject to the conditions in it, and to be providing the representations, warranties and acknowledgements contained in the Appendix.

Background to and Reasons for the Capital Raising

This Capital Raising is intended to help Scotgold progress on their current operations. In December 2022, the Company announced in its operational update that the Company's strategy is:

- To continue to focus on three pillars of Scotgold's strategy: optimising value at Cononish; growth through resource expansion and regional exploration; and investment in people and commitment to sustainability.
- Optimising value at Cononish - 2023 focused on achieving sustainable and continued ramp up to 2,000 ounces of gold per month in Q4 2023 with a target AISC of £610 per ounce with the mine running an average grade through the processing plant of c.12g/t Au year to generate increased cash generation.
- Resource expansion firstly through increasing knowledge of the gold vein in close proximity to the existing Cononish vein by commencing a drill campaign off the back of the Very Low Frequency (VLF) work conducted in 2022 and then to extend the same methodology to the other areas within the 2,900km² of area held by Scotgold.
- To continue investment in people and commitment to sustainability through continuous improvement.
- Vision to build an intergenerational mining company as a multi-asset gold production company in Scotland.

Use of Proceeds

The net proceeds of the Capital Raising will be used to support:

- delivery of the Company's 2023 mine plan at Cononish and the move to long hole stoping;
- resource expansion at Cononish; and
- the Company's regional exploratory drill programme.

Director Participation

The following Directors have indicated that they intend to participate in the Capital Raising via the Subscriptions:

- Nathaniel Le Roux, Non-Executive Director: approximately US\$287,000
- Peter Hetherington, Non-Executive Chairman: approximately US\$122,000
- Ian Proctor, Non-Executive Director: approximately US\$30,000
- William Styslinger, Non-Executive Director: approximately US\$137,000
- Phil Day, Chief Executive Officer: approximately US\$43,000
- Richard Barker, Non-Executive Director: approximately US\$12,000
- Evan Spencer, Non-Executive Director: approximately US\$38,000

Further details of the Subscriptions will be announced in the Result of Bookbuild Announcement.

Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares and the Subscription Shares (together, the "**New Shares**"), all of which will all rank *pari passu* with the Company's existing Ordinary Shares, to be admitted to trading on AIM ("**Admission**"). Admission of the New Shares

("Placing Admission") is expected to occur at, and dealings in such shares are expected to commence on, 8.00 a.m. on 17 February 2023 or such later time and/or date as the Bookrunner and the Company agree (being in any event no later than 8.00 a.m. on 3 March 2023).

The New Shares will be in registered form and will be capable of being held in either certificated or, in the case of Depositary Interests representing such shares, in uncertificated form (i.e. in CREST). Accordingly, following Admission, settlement of transactions in Depositary Interests representing the New Shares may take place within the CREST system if a Shareholder so wishes. Shareholders who wish to receive and retain share certificates are able to do so.

The ISIN number of the new Ordinary Shares is AU000XINEAK5. The TIDM is SGZ.

Important Notices

This Announcement and the information contained herein are not for release, distribution or publication, in whole or in part, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other jurisdiction where to do so might constitute a violation of the relevant laws or regulations of such jurisdiction. The Placing and the distribution or transmission of this Announcement may be restricted by law or regulation in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Persons distributing this Announcement must satisfy themselves that it is lawful to do so. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. No action has been taken by the Company or the Bookrunner that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Overseas Shareholders and any person (including, without limitation, nominees and trustees), who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

This Announcement does not constitute, or form part of, a prospectus relating to the Company, nor does it constitute or contain any invitation or offer to any person, or any public offer, to buy or subscribe for or otherwise acquire any securities of the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it (other than the Appendix in relation to Placees) form the basis of or be relied on in connection with any contract or as an inducement to enter into any contract or commitment with the Company. There will be no public offer of the securities described herein in the United States of America (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other jurisdiction where to do so might constitute a violation of the relevant laws or regulations of such jurisdiction.

This Announcement is not an offer of securities for sale in the United States of America (including its territories and possessions, any state of the United States and the District of Columbia). Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any securities referred to herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in the United States of America (including its territories and possessions, any state of the United States and the District of Columbia), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States of America (including its territories and possessions, any state of the United States and the District of Columbia). There will be no public offer of the securities described herein in Australia, Canada, Japan, New Zealand or the Republic of South Africa. The New Shares have not been, and will not be, registered under or qualified for sale under the applicable laws of any of Canada, Australia, New Zealand, the

Republic of South Africa, or Japan and, subject to certain exceptions, may not be offered or sold to any national, resident or citizen of Canada, Australia, New Zealand, the Republic of South Africa or Japan.

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 will 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.

The Appendix to this Announcement (which forms part of this Announcement) sets out the terms and conditions of the Placing. By participating in the Placing, each person who is invited to and who chooses to participate in the Placing by making or accepting an oral and legally binding offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety (including the Appendix) and to be making such offer on the terms and subject to the conditions set out in this Announcement and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained in the Appendix. The Company and the Bookrunner will rely upon the truth and accuracy of the representations, warranties, undertakings, agreements and acknowledgements contained in the Appendix.

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 of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**") and/or any equivalent requirements elsewhere to the extent determined to be applicable and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK 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 defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (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 Bookrunner 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 the UK Product Governance Requirements or MiFID II; 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.

APPENDIX: TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR PLACEEES ONLY REGARDING THE PLACING

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX (TOGETHER, THE "**ANNOUNCEMENT**") AND THE INFORMATION IN IT, IS RESTRICTED, AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), AUSTRALIA, CANADA, JAPAN, NEW

ZEALAND OR SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT.

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF REGULATION (EU) 2017/1129 (THE “**PROSPECTUS REGULATION**”); AND (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF PROSPECTUS REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED (THE “**UK PROSPECTUS REGULATION**”), WHO (I) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “**ORDER**”), OR (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC”) OF THE ORDER, OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS IN (A) AND (B) TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS FOR INFORMATION PURPOSES ONLY AND DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. THIS ANNOUNCEMENT HAS BEEN ISSUED BY AND IS THE SOLE RESPONSIBILITY OF THE COMPANY.

THIS ANNOUNCEMENT IS NOT AN OFFER FOR SALE OR SUBSCRIPTION IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION.

THIS ANNOUNCEMENT IS NOT AN OFFER OF OR SOLICITATION TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES HAS APPROVED OR DISAPPROVED OF AN INVESTMENT IN THE SECURITIES OR PASSED UPON OR ENDORSED THE MERITS OF THE PLACING OR THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THIS ANNOUNCEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES. NO PUBLIC OFFERING OF SECURITIES IS BEING MADE IN THE UNITED STATES. NO MONEY, SECURITIES OR OTHER CONSIDERATION FROM ANY PERSON INSIDE THE UNITED STATES IS BEING SOLICITED BY THIS ANNOUNCEMENT AND, IF SENT IN RESPONSE TO THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT, WILL NOT BE ACCEPTED.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO THE LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN THE PLACING SHARES. THE PRICE OF ORDINARY SHARES IN THE COMPANY AND THE INCOME FROM THEM (IF ANY) MAY GO DOWN AS WELL AS UP AND INVESTORS MAY NOT GET BACK THE FULL AMOUNT INVESTED ON DISPOSAL OF THE PLACING SHARES. THE DISTRIBUTION OF THIS ANNOUNCEMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS, AND ANY PERSON WHO COMES INTO POSSESSION OF THIS

ANNOUNCEMENT OR ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, SUCH RESTRICTIONS.

Persons who are invited to and who choose to participate in the Placing, by making (or on whose behalf there is made) an oral or written offer to subscribe for Placing Shares (the "Placees"), will be deemed to have read and understood this Announcement in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements, and undertakings contained in this Appendix. In particular, each such Placee represents, warrants and acknowledges that:

1. it is a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, (i) the Placing Shares acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State of the European Economic Area ("**EEA**") other than Qualified Investors (as defined in the Prospectus Regulation) or in circumstances in which the prior consent of the Bookrunner has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in any Member State of the EEA other than Qualified Investors (as defined in the Prospectus Regulation), the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons;
3. in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, (i) the Placing Shares acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the UK other than Qualified Investors (as defined in the UK Prospectus Regulation) or in circumstances in which the prior consent of the Bookrunner has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in the UK other than Qualified Investors (as defined in the UK Prospectus Regulation), the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons; and
4. it is located outside the United States, it is not a US Person, is subscribing for Placing Shares in an "offshore transaction" (within the meaning of Regulation S) and is purchasing the Placing Shares for its own account or is purchasing the Placing Shares for an account with respect to which it exercises sole investment discretion and that it (and any such account) is located outside the United States and is not a US Person or it is a dealer or other professional fiduciary in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust), in reliance upon Regulation S.

The Company and the Bookrunner will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

This Announcement does not constitute an offer, and may not be used in connection with an offer, to sell or issue or the solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. This Announcement and the information contained herein is not for publication or distribution, directly or indirectly, to persons in the United States, Canada, Australia, New Zealand, Japan or South Africa or in any jurisdiction in which such publication or distribution is unlawful. Persons into whose possession this Announcement may come are required by the Company to inform themselves about and to observe any restrictions of transfer of this Announcement. No public offer of securities of the Company is being made in the United Kingdom, the United States or elsewhere.

In particular, the Placing Shares referred to in this Announcement have not been and will not be registered under the Securities Act or any laws of, or with any securities regulatory authority of, any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred, directly or indirectly, in or into the United States except pursuant to an exemption from the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission or any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or the adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Canada, Australia, New Zealand, Japan or South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Canada, Australia, New Zealand, Japan or South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the Announcement of which it forms part should seek appropriate advice before taking any action.

Details of the Placing

The Bookrunner has entered into the Placing Agreement with the Company and SCC under which the Bookrunner has agreed, on the terms and subject to the conditions set out therein, and undertaken to use reasonable endeavours to procure, as the Company's agent for the purpose of the Placing, subscribers for the Placing Shares at the Issue Price.

The Placing Agreement contains customary undertakings and warranties given by the Company to the Bookrunner including as to the accuracy of information contained in this Announcement, to matters relating to the Company and its business and a customary indemnity given by the Company to the Bookrunner in respect of liabilities arising out of or in connection with the Placing and/or Placing Admission.

The Placing is conditional upon, amongst other things, Placing Admission becoming effective and the Placing Agreement not being terminated in accordance with its terms.

The Placing is not being underwritten.

The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares, including the right to receive all dividends and other distributions (if any) declared, made or paid on or in respect of the Ordinary Shares after the relevant date of issue of the Placing Shares.

The Company's constitution gives the board authority to issue shares at the price the board determines as there are no statutory pre-emption rights under the Australian Corporations Act. Accordingly, Shareholder approval is not required for the Company to issue new Ordinary Shares in respect of the Capital Raising.

Other than pursuant to any share option schemes and other employee incentive arrangements, the Company has agreed not to allot, issue or grant any rights in respect of its Ordinary Shares in the period of six months from the date of Retail Offer Admission without the prior written consent of Shore Capital (such consent not to be unreasonably withheld or delayed).

Application for admission to trading

Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM.

Subject to the conditions for the Placing being met, it is expected that Placing Admission will take place on or before 8.00 a.m. on 17 February 2023 and that dealings in the Placing Shares on AIM will commence thereafter.

Bookbuild

The Bookrunner will today commence the bookbuilding process in respect of the Placing (the “**Bookbuild**”) to determine demand by Placees for participation in the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

The Bookrunner and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their absolute discretion, determine.

Participation in, and principal terms of, the Placing

1. The Bookrunner (whether individually or through any of its affiliates) is arranging the Placing as placing agent of the Company and has agreed to use its reasonable endeavours to procure Placees at the Issue Price for the Placing Shares.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by the Bookrunner. The Bookrunner and its respective affiliates may participate in the Placing as principals (and are each entitled to enter bids as principal in the Bookbuild).
3. The Issue Price will be a fixed price of 40 pence per new Ordinary Share.
4. The Bookbuild will establish the number of Placing Shares to be issued at the Issue Price, payable to the Bookrunner as agent for the Company by all Placees whose bids are successful. The number of Placing Shares to be issued will be determined by the Bookrunner following completion of the Bookbuild and will be recorded in a term sheet entered into between the Bookrunner and the Company. The number of Placing Shares to be issued at the Issue Price will be announced on a Regulatory News Service following completion of the Bookbuild.
5. To bid in the Bookbuild, Placees should communicate their bid by telephone or in writing to their usual sales contact at the Bookrunner. Each bid should state the number of Placing Shares for which the prospective Placee wishes to subscribe. Bids may be scaled down by the Bookrunner on the basis referred to in paragraph 10 below.
6. A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and except with the Bookrunner’s consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the Company and the Bookrunner, to pay to them (or as the Bookrunner may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares that such Placee has agreed to subscribe for and the Company has agreed to allot and issue to that Placee. Each prospective Placee’s obligations will be owed to the Company and the Bookrunner.
7. The Bookbuild in respect of the Placing is expected to close by 6.00 p.m. on 9 February 2023, but the Bookbuild may be closed earlier or later at the discretion of the Bookrunner and the Company. The Bookrunner may, in agreement with the Company, accept bids, either in whole or in part, that are received after the Bookbuild has closed.
8. The Bookrunner is acting exclusively for the Company and no one else in connection with the matters referred to in this Announcement and will not be responsible to anyone other than the Company for protections afforded to its customers nor for providing advice in relation to the matters described in this Announcement or any matter, transaction or arrangement referred to in it.
9. Each prospective Placee’s allocation of Placing Shares will be confirmed to Placees either orally or in writing by a Bookrunner as soon as practicable following the close of the Bookbuild, and an electronic trade confirmation will be dispatched as soon as possible thereafter. The terms and conditions of this Appendix will be deemed incorporated therein. A Bookrunner’s confirmation to such Placee will constitute an irrevocable legally binding commitment upon such prospective Placee (who will at that point become a Placee) in favour of the Bookrunner and the Company, to subscribe for the number of Placing Shares allocated to it and to pay the Issue

Price on the terms and subject to the conditions set out in this Appendix and in accordance with the Company's articles of incorporation.

10. The Bookrunner may choose to accept bids, either in whole or in part, on the basis of their allocation policy and may scale down any bids for this purpose on such basis as they may determine. The Bookrunner may also, notwithstanding paragraphs 5 and 6 above, and subject to prior agreement with the Company, (a) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time and (b) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time.
11. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made on the basis explained below under "Registration and Settlement".
12. All obligations under the Bookbuild and Placing will be subject to fulfilment or (where applicable) waiver of, amongst other things, the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
13. By participating in the Bookbuild, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
14. To the fullest extent permissible by law, none of the Company, the Bookrunner, or any of their respective affiliates shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise) under these terms and conditions. In particular, none of the Company, the Bookrunner, or any of their respective affiliates shall have any responsibility or liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of the Bookrunner's conduct of the Bookbuild or of such alternative method of effecting the Placing as the Bookrunner and the Company may agree or of the allocation of Placing Shares. Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and the Bookrunner shall have no liability to the Placees for any failure by the Company to fulfil those obligations.
15. The Placing Shares will be issued subject to the terms and conditions of this Appendix and each Placee's commitment to subscribe for Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Bookrunner's conduct of the Placing.
16. All times and dates in this Announcement may be subject to amendment. The Bookrunner shall notify the Placees and any person acting on behalf of the Placees of any changes.

Conditions of the Placing

The Bookrunner's obligations under the Placing Agreement in respect of the Placing Shares are conditional on, inter alia:

- the Company allotting, subject only to Placing Admission, the Placing Shares in accordance with the Placing Agreement;
- the Placing Agreement having become unconditional in respect of the Placing (save for any condition as to Placing Admission having taken place and excluding any conditions relating to the Retail Offer) and not having been terminated in accordance with its terms before Placing Admission; and
- Placing Admission taking place no later than 8 a.m. on 17 February 2023 or such other time and/or date as may be agreed between the Company and the Bookrunner, not being later than 8.30 a.m. on 3 March 2023 (the "Final Date").

If: (i) any of the conditions contained in the Placing Agreement in relation to the Placing Shares is not fulfilled or waived by the Bookrunner by the respective time or date where specified (or such later time

or date as the Company and the Bookrunner may agree not being later than the Final Date); or (ii) the Bookrunner's obligations (and consequently Placees' obligations) in respect of the Placing Shares only under the Placing Agreement are terminated as described below, the Placing will lapse and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time.

Shore Capital may, in its absolute discretion, waive, or extend the period (up to the Final Date) for compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement, save that the conditions relating to Placing Admission taking place may not be waived and the period for compliance with such conditions may not be extended beyond the Final Date. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither Shore Capital nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Shore Capital.

Right to terminate under the Placing Agreement

Shore may, in its absolute discretion, at any time before Retail Offer Admission terminate the Placing Agreement by giving notice to the Company in certain circumstances, including, inter alia:

- (a) in the reasonable opinion of Shore Capital, the warranties given by the Company to Shore Capital are not true and accurate or have become misleading (or would not be true and accurate or would be misleading if they were repeated at any time before Placing Admission) by reference to the facts subsisting at the time of Placing Admission which Shore Capital considers (acting reasonably) to be material in the context of the Placing or the Retail Offer; or
- (b) the Company fails in any material respect to comply with any of its obligations under the Placing Agreement or it commits a breach of the rules and regulations of the FCA and/or the London Stock Exchange and/or the AIM Rules, the FSMA, UK MAR or any other applicable law; or
- (c) in the reasonable opinion of Shore Capital, there happens, develops or comes into effect any occurrence of any kind which (by itself or together with any other such occurrence) is likely to materially and adversely affect the market's position or prospects of the Group (taken as a whole); or
- (d) there has been a general moratorium on commercial banking activities in London declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United Kingdom; the outbreak or escalation of hostilities or acts of terrorism involving the United Kingdom or the declaration by the United Kingdom of a national emergency or war; or any other crisis of international or national effect or any change in any currency exchange rates or controls or in any financial, political, economic or market conditions or in market sentiment which, in any such case, in the reasonable opinion of Shore Capital is materially adverse.

The rights and obligations of the Placees shall terminate, or be capable of rescission, only in the circumstances described in these terms and conditions and in the Placing Agreement and will not be subject to termination by any Placee or any prospective Placee at any time or in any circumstances and the Placees' participation will not be capable of rescission or termination by it after oral confirmation by the Bookrunner of the allocation and commitments following the close of the Bookbuild. By participating in the Placing, Placees agree that the exercise by Shore Capital of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Shore Capital, that

they need not make any reference to Placees and that Shore Capital shall have no liability to Placees whatsoever in connection with any such exercise or decision not to exercise.

Placees will have no rights against Shore Capital, the Company or any of their respective directors or employees under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended).

Continuing Obligations

Other than pursuant to any share option schemes and other employee incentive arrangements, the Company has undertaken to Shore Capital that it will not, during the period of six months from Retail Offer Admission, issue any shares or options to subscribe for any shares or securities convertible or exchangeable into shares or enter into any agreement or undertaking to do so, except with the prior consent of Shore Capital (such consent not to be unreasonably withheld or delayed).

By participating in the Placing, Placees agree that the exercise by Shore Capital of any power to grant consent to the undertaking by the Company of a transaction which would otherwise be subject to the continuing obligation provisions under the Placing Agreement shall be within the absolute discretion of Shore Capital and that it need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

No admission document or prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require an admission document or prospectus in the United Kingdom or in any other jurisdiction. No offering document, admission document or prospectus has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing, and Placees' commitments will be made solely on the basis of the information contained in the Announcement and the Exchange Information (as defined further below). Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information (other than the Exchange Information), representation, warranty, or statement made by or on behalf of the Company, Shore Capital, or any other person and neither Shore Capital, the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received and, if given or made, such information, representation, warranty or statement must not be relied upon as having been authorised by Shore Capital, the Company, or their respective officers, directors, employees or agents. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Neither the Company nor Shore Capital are making any undertaking or warranty to any Placee regarding the legality of an investment in the Placing Shares by such Placee under any legal, investment or similar laws or regulations. Each Placee should not consider any information in this Announcement to be legal, tax or business advice. Each Placee should consult its own solicitor, tax adviser and financial adviser for independent legal, tax and financial advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and settlement

Settlement of transactions in Depository Interests representing the Placing Shares (ISIN: AU000XINEAK5) following Placing Admission will take place within CREST provided that, subject to certain exceptions, the Bookrunner reserves the right to require settlement for, and delivery of the Placing Shares (or a portion thereof) to Placees by such other means that it deems necessary if delivery or settlement of Depository Interests is not possible or practicable within CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

Following the closing of the Bookbuild, each Placee allocated Placing Shares will be sent an electronic trade confirmation or contract note stating the number of Placing Shares allocated to it at the Issue Price, the aggregate amount owed by such Placee to the Bookrunner (as agent for the Company) and

settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the CREST or certificated settlement instructions that it has in place with the Bookrunner.

It is expected that settlement in respect of the Placing Shares will be on 17 February 2023 on a T+5 basis in accordance with the instructions set out in the trade confirmation.

In the event of any difficulties or delays in the admission of Depositary Interests representing the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and the Bookrunner may agree that the Placing Shares should be issued in certificated form. The Bookrunner reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as they deem necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the base rate from time to time of Barclays Bank PLC as determined by the Bookrunner.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Bookrunner may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Bookrunner's account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable and shall indemnify the Bookrunner (as agent for the Company) on demand for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares to the Bookrunner, each Placee confers on the Bookrunner all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which the Bookrunner lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation or contract note is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax or securities transfer tax.

Representations, warranties and further terms

By participating in the Placing each Placee (and any person acting on such Placee's behalf) makes the following representations, warranties, acknowledgements, agreements and undertakings (as the case may be) to the Company and Shore Capital, namely that, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood the Announcement, in its entirety and that its subscription of Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Announcement;
2. acknowledges that no offering document, admission document or prospectus has been prepared in connection with the Placing and represents and warrants that it has not received and will not receive a prospectus, admission document or other offering document in connection therewith;
3. acknowledges that the Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules (collectively "**Exchange Information**"), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss

account and the Company's announcements and circulars published in the past 12 months and that it is able to obtain or access such information or comparable information concerning publicly traded companies without undue difficulty;

4. acknowledges that none of Shore Capital, the Company, any of their respective affiliates or any person acting on behalf of any of them has provided it, and will not provide it, with any material regarding the Placing Shares or the Company other than this Announcement; nor has it requested any of Shore Capital, the Company, their respective affiliates or any person acting on behalf of any of them to provide it with any such information and has read and understood the Exchange Information;
5. acknowledges that the content of this Announcement is exclusively the responsibility of the Company, and that none of Shore Capital, their affiliates or any person acting on its or their behalf has or shall have any liability for any information, representation or statement contained in this Announcement or any information previously or concurrently published by or on behalf of the Company, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this Announcement and any Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Shore Capital, the Company or any of their respective directors, officers or employees or any person acting on behalf of any of them, or, if received, it has not relied upon any such information, representations, warranties or statements (including any management presentation that may have been received by any prospective Placee or any material prepared by the research department Shore Capital (the views of such research department not representing and being independent from those of the Company and the corporate finance department of Shore Capital and not being attributable to the same)), and neither Shore Capital, nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Placee further acknowledges and agrees that it may not place the same degree of reliance on this Announcement as it may otherwise place on a prospectus or admission document. Each Placee further acknowledges and agrees that it has relied solely on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing and it will not rely on any investigation that Shore Capital, its affiliates or any other person acting on its or their behalf has or may have conducted;
6. represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting this invitation to participate in the Placing;
7. acknowledges that Shore Capital does not have any duties or responsibilities to it, or its clients, similar or comparable to the duties of "best execution" and "suitability" imposed by the Conduct of Business Sourcebook in the FCA's Handbook of Rules and Guidance and that the Bookrunner is acting for it or its clients and that Shore Capital will be responsible for providing protections to it or its clients;
8. acknowledges that Shore Capital, any of its affiliates or any person acting on behalf of it or them has or shall have any liability for the Exchange Information, any publicly available or filed information or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
9. that, save in the event of fraud (and to the extent permitted by the Conduct of Business Sourcebook in the FCA's Handbook of Rules and Guidance), none of Shore Capital, its ultimate holding company, nor any direct or indirect subsidiary undertakings of that holding company, nor any of their respective directors and employees shall be liable to Placees for any matter arising out of the Bookrunner's role as placing agent or otherwise in connection with the Placing and that where any such liability nevertheless arises as a matter of law Placees will immediately

waive any claim against any of such persons which the relevant Placee(s) may have in respect thereof;

10. acknowledges that the Placing Shares have not been and will not be registered under the Securities Act or with any state or other jurisdiction of the United States, nor approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority;
11. represents and warrants that, except as otherwise permitted by the Company that it is located outside the United States, it is not a US Person, is subscribing for Placing Shares in an “offshore transaction” (within the meaning of Regulation S) and is purchasing the Placing Shares for its own account or is purchasing the Placing Shares for an account with respect to which it exercises sole investment discretion and that it (and any such account) is located outside the United States and is not a US Person or it is a dealer or other professional fiduciary in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust), in reliance upon Regulation S;
12. acknowledges that no representation has been made as to the availability of Rule 144 or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
13. it is not acquiring the Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any Placing Shares into the United States and, unless otherwise disclosed to the Bookrunner and the Company in writing, it is not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to subscribe for Placing Shares is given;
14. it is not subscribing for any Placing Shares as a result of (i) any “directed selling efforts” as that term is defined in Regulation S under the Securities Act or (ii) any form of “general solicitation or general advertising” within the meaning of Regulation D under the Securities Act;
15. acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of Canada, Australia, New Zealand, Japan or South Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within those jurisdictions and represents and warrants that, unless specifically agreed in writing with the Bookrunner, neither it nor the beneficial owner of such Placing Shares will be a resident of Canada, Australia, New Zealand, Japan or South Africa;
16. represents and warrants that the issue to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer Placing Shares into a clearance system;
17. represents and warrants that: (i) it has complied with its obligations under the Criminal Justice Act 1993 and UK MAR; (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering Regulations 2017; and (iii) it is not a person: (a) with whom transactions are prohibited under the Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations (together, the “**Regulations**”); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to the Bookrunner such evidence, if any, as to the identity or location or legal status of any person which the Bookrunner may request from it in connection with the Placing (for the

purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by the Bookrunner on the basis that any failure by it to do so may result in the number of Placing Shares that are to be purchased by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as the Bookrunner may decide in its sole discretion;

18. if a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, represents and warrants that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Member State of the EEA other than Qualified Investors (as defined in the Prospectus Regulation), or in circumstances in which the prior consent of the Bookrunner has been given to the offer or resale;
19. if a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, represents and warrants that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in the UK other than Qualified Investors (as defined in the UK Prospectus Regulation), or in circumstances in which the prior consent of the Bookrunner has been given to the offer or resale;
20. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Placing Admission except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation (including any relevant implementing measure in any member state);
21. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the UK prior to Placing Admission except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in the UK within the meaning of the UK Prospectus Regulation;
22. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
23. represents and warrants that it has complied and will comply with all applicable provisions of UK MAR with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
24. if in a Member State of the EEA, unless otherwise specifically agreed with the Bookrunner in writing, represents and warrants that it is a Qualified Investor within the meaning of the Prospectus Regulation;
25. if in the United Kingdom, represents and warrants that it is a Qualified Investor within the meaning of the UK Prospectus Regulation and a person: (i) who has professional experience in matters relating to investments falling within Article 19(1) of the Order; (ii) falling within Article 49(2)(A) to (D) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order; or (iii) to whom this Announcement may otherwise be lawfully communicated;
26. represents and warrants that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities and taken any other necessary actions to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all

necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations;

27. where it is acquiring Placing Shares for one or more managed accounts, represents and warrants that it is authorised in writing by each managed account: (a) to acquire the Placing Shares for each managed account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Announcement of which it forms part; and (c) to receive on its behalf any investment letter relating to the Placing in the form provided to it by the Bookrunner;
28. undertakes that it (and any person acting on its behalf) will make payment to the Bookrunner for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein and in the electronic trade confirmation of contract note stating the number of Placing Shares allocated to it and containing settlement instructions, failing which the relevant Placing Shares may be placed with other subscribers or sold as the Bookrunner may in its discretion determine and without liability to such Placee and it will remain liable and will indemnify the Bookrunner on demand for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear the liability for any stamp duty or stamp duty reserve tax or security transfer tax (together with any interest or penalties due pursuant to or referred to in these terms and conditions) which may arise upon the placing or sale of such Placee's Placing Shares on its behalf;
29. acknowledges that none of Shore Capital, any of its affiliates, or any person acting on behalf of it or any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be treated for these purposes as a client of Shore Capital and that Shore Capital has no duties or responsibilities to it for providing the protections afforded to its clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
30. undertakes that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither Shore Capital nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees to indemnify the Company and Shore Capital in respect of the same on the basis that Depository Interests representing the Placing Shares will be credited to the CREST stock account of the Bookrunner who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
31. acknowledges that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreement shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter (including non-contractual matters) arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or the Bookrunner in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
32. acknowledges that time shall be of the essence in respect of its obligations under this Appendix;
33. agrees that the Company, Shore Capital, and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the Bookrunner on its own behalf and on behalf of the Company and are irrevocable and are irrevocably authorised to produce this Announcement or a copy

thereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby;

34. agrees to indemnify on an after-tax basis and hold the Company, Shore Capital and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
35. acknowledges that no action has been or will be taken by any of the Company, the Bookrunner, or any person acting on behalf of the Company or the Bookrunner that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
36. acknowledges that it is an institution that has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and in this sector and is aware that it may be required to bear, and it, and any accounts for which it may be acting, are able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved;
37. acknowledges that its commitment to subscribe for Placing Shares on the terms set out herein and in the trade confirmation or contract note will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing;
38. acknowledges that Shore Capital, or any of its affiliates acting as an investor for their own account, may take up shares in the Company and in that capacity may retain, purchase or sell for its own account such shares and may offer or sell such shares other than in connection with the Placing;
39. represents and warrants that, if it is a pension fund or investment company, its purchase of Placing Shares is in full compliance with all applicable laws and regulation; and
40. to the fullest extent permitted by law, it acknowledges and agrees to the disclaimers contained in the Announcement including this Appendix.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given by the Placee to Shore Capital and the Company and are irrevocable and shall not be capable of termination in any circumstances.

The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Shore Capital will be responsible, and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Shore Capital in the event that any of the Company or Shore Capital has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify the Bookrunner accordingly.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

Each Placee, and any person acting on behalf of the Placee, acknowledges that Shore Capital does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that Shore Capital or any of its respective affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

When a Placee or person acting on behalf of the Placee is dealing with the Bookrunner, any money held in an account with the Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from the Bookrunner's money in accordance with the client money rules and will be used by the Bookrunner in the course of its own business and the Placee will rank only as a general creditor of the Bookrunner.

All times and dates in this Announcement may be subject to amendment. The Bookrunner shall notify the Placees and any person acting on behalf of the Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

DEFINITIONS

The following definitions apply throughout this Announcement, including the Appendix:

"AIM"	the market of that name operated by the London Stock Exchange;
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange from time to time;
"Announcement"	this announcement, including the Appendix;
"Appendix"	the appendix to this Announcement;
"Bookbuild"	the accelerated bookbuilding process in respect of the Placing to be carried out by the Bookrunner on behalf of the Company;
"BookBuild Platform"	the platform operated by BB Technology Limited and known as BookBuild which will host the Retail Offer;
"Bookrunner"	SCS;
"Capital Raising"	together, the Placing, the Subscription and the Retail Offer;

“Capital Raising Shares”	together, the Placing Shares, Subscription Shares and Retail Shares;
"certificated" or "in certificated form"	an Ordinary Share recorded on the Company's share register as being held in certificated form (namely, not in CREST);
"Company" or “Scotgold”	Scotgold Resources Limited;
"Conditions"	the conditions of the Placing as set out in the Placing Agreement and summarised in the Appendix to this Announcement;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the operator (as defined in the said CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;
"Depository Interests"	depository interests representing Ordinary Shares issued by Computershare Investor Services plc as depository;
“Directors”	the directors of the Company as at the date of this Announcement;
“Enlarged Share Capital”	the Ordinary Shares in issue immediately following Admission, comprising the Existing Ordinary Shares and the New Shares;
"Existing Ordinary Shares”	the 59,523,291 Ordinary Shares with voting rights in issue at the date of this Announcement;
"FCA"	the Financial Conduct Authority in the UK or its successor from time to time;
"FSMA"	the Financial Services and Markets Act 2000, as amended;
"Group"	the Company and its existing subsidiaries and subsidiary undertakings;
"Intermediary"	an individual, company or other entity that manages and executes the buying and selling of securities on behalf of Retail Investors;
"Issue Price"	40 pence per Capital Raising Share;
"London Stock Exchange"	London Stock Exchange plc;
"New Shares"	together, the Placing Shares and the Subscription Shares;

"Ordinary Shares"	ordinary shares in the capital of the Company;
"Overseas Shareholders"	holders of Existing Ordinary Shares who are neither resident in, nor have a registered address in, the UK;
"pence"	pence sterling, the lawful currency of the UK;
"Placees"	means the institutional and other investors which the Bookrunner shall have procured to agree to subscribe for the Placing Shares pursuant to the Placing on the terms of the Appendix;
"Placing"	the proposed placing of the Placing Shares at the Issue Price;
"Placing Admission"	admission of the New Shares to trading on AIM becoming effective in accordance with the AIM Rules;
"Placing Agreement"	the placing agreement dated the same date as this Announcement between the Company, the Bookrunner and SCC relating to the Placing;
"Placing Shares"	the new Ordinary Shares to be issued pursuant to the Placing;
"Prospectus Regulation"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (including any relevant implementing legislation in any EEA State) as amended from time to time;
"Prospectus Rules"	the prospectus regulation rules published by the FCA pursuant to section 73A of FSMA (as amended from time to time);
"Regulation S"	Regulation S under the Securities Act;
"Regulatory Information Service"	has the meaning given to it in the AIM Rules;
"Restricted jurisdictions"	the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa and any other jurisdiction where the extension or availability of the Placing would breach any applicable law;
"Retail Investors"	investors in the usual type of an Intermediary's client base, which may include individuals aged 18 years or over, companies and other bodies corporate, partnerships, trusts, associations and other unincorporated organisations;
"Retail Offer"	the offer of the Retail Shares, through Intermediaries, to Retail Investors in the United Kingdom (anticipated to be

	announced shortly following the release of this announcement);
"Retail Offer Admission"	admission of the Retail Shares to trading on AIM becoming effective in accordance with the AIM Rules;
"Retail Shares"	any Ordinary Shares to be issued by the Company under the terms of the Retail Offer;
"SCC"	Shore Capital and Corporate Limited, a private limited company incorporated in England & Wales under the registered number 02083043 and having its registered office at Cassini House, 57 St James's Street, London SW1A 1LD, and the Company's nominated adviser for the purposes of the AIM Rules;
"SCS"	Shore Capital Stockbrokers Limited, a private limited company incorporated in England & Wales under the registered number 01850105 and having its registered office at Cassini House, 57 St James's Street, London SW1A 1LD, and the Company's bookrunner for the purposes of the Placing and Placing Admission;
"Securities Act"	the United States Securities Act of 1933, as amended;
"Shareholders"	holders of Existing Ordinary Shares or Ordinary Shares (as the context requires) at the relevant time;
"Shore Capital"	SCC and/or SCS, as the context requires;
"Subscribers"	the Subscribing Directors;
"Subscribing Directors"	the Directors whose names are set out under the heading "Director Participation" above
"Subscription Agreements"	the individual subscription agreements to be entered into between the Company and each of the Subscribers, pursuant to which the Subscribers will agree to subscribe for the Subscription Shares at the Issue Price;
"Subscription" or "Subscriptions"	the subscriptions for the Subscription Shares at the Issue Price by the Subscribers;
"Subscription Shares"	the new Ordinary Shares to be issued pursuant to the Subscription Agreements;
"UK MAR"	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 Prospectus Regulation”	means the retained EU law version of the Prospectus Regulation ((EU) 2017/1129) and the supplementing retained EU law version of the Commission Delegated Regulation (EU) 2019/979, both of which form part of domestic law by virtue of the European Union (Withdrawal) Act 2018;
"uncertificated" or "in uncertificated form"	an Ordinary Share recorded on the Company's share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and any other area subject to its jurisdiction;
"£"	pounds sterling, the lawful currency of the UK.

