



15 May 2023

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

Subscription and Open Offer have raised £2 million

Operational Update – Long hole stoping at Cononish gold mine continues to progress in line with 2023 mine plan

Scotgold Resources Limited (AIM: SGZ), Scotland's first commercial gold producer, announces the results of its Open Offer, which was fully subscribed. The Open Offer to Qualifying Participants was announced by the Company on 21 April 2023 and closed for acceptances, in accordance with its terms, at 11.00 a.m. on 12 May 2023.

The Company is pleased to announce that it has received valid acceptances and excess applications from Qualifying Participants for a total of 10,755,963 Open Offer Shares under the Open Offer.

As a result, the maximum number of a total of 10,065,262 Open Offer Shares will be issued in connection with the Open Offer, raising £1.5 million.

Applications made under the Excess Application Facility will be scaled back pro-rata such that Qualifying Participants will receive 86.6% of the Excess Shares they applied for.

Capitalised terms used but not otherwise defined in this announcement bear the meanings ascribed to them in the circular posted to Scotgold shareholders on 26 March 2023.

Operational Update

As announced on 5 April 2023, the Company commenced long hole stoping, along the 115m strike length in the underground mine at its Cononish gold and silver mine ("Cononish"). Long hole stoping is progressing well and for the most part, aside from lower than expected grade, in line with the Company's 2023 mine plan.

1,956 tonnes of ore has been extracted from long hole stope 1 (19m of the 115m strike length) and all processed as of 3 May 2023, with an average grade of 4g/t. This reduction from previously forecast grade is largely due to internal dilution as seen in drone footage, dilution from the hanging-wall and footwall and mucking on backfill. The Company is in the process of completing the production and

geological reconciliation at which point it will have a better understanding of the factors contributing to the lower than expected grade performance. Initial reconciliation work of long hole stope 1 indicates the vein was stoped successfully, with higher-than-expected recovery of the orebody. Long hole stoping continues along the 115m strike length in line with the stope mine design and forecast grades. The 445 Access has intersected ore. It is being continued to confirm the extent of any additional stockwork veins and to produce a stockpile. 445 Ore Drive East has been turned out and has been established.

From 5 April to 30 April, 229 ounces of gold in flotation concentrate has been produced with 43 tonnes of gold concentrate shipped to the Company's off-take partner with a sales value of £0.3m.

Further Scottish gold doré sales were made to Scottish jewellery companies, totalling £183,478, from 1 January 2023 to 4 May 2023.

As previously disclosed Q1 2023 production was disappointing, with 4,519 tonnes of ore mined at 5.35 g/t which resulted in 758 ounces of gold being produced in the quarter.

Environmental/safety compliance

Scotgold is committed to the principles of sustainable and responsible mining in all aspects of its business. The Company is dedicated to the safety of its workforce, local communities and that of the National Park in which it operates. To that end, Scotgold is proud of its no cyanide status, as one of the only gold producers globally that does not use it in its processing. The Company also utilises dry stack tailings to ensure safety and a minimal environmental footprint of which we continue to remain compliant. Tailings placement has been completed on Stack 1 with restoration ongoing and approx. 75% complete, all layers in the stack have on spec CQA testing results and regrowth on the restored areas is very encouraging considering only very recent placement.

The Loch Lomond and Trossachs National Park ("LLNTP") Planning Monitoring Officer's regular scheduled site visit to Cononish was held on 26 April 2023, with no major queries or concerns for the period. Scotgold continues to work with the LLNTP to ensure compliance across all of its operations.

The Company can also confirm that there have been no serious health and safety incidents or LTIs to date in 2023. The Company works in accordance to the UK's HSC best practice and has a zero-harm safety culture focused on continuous improvement to achieve an injury free and healthy work environment.

Outlook

Q1 2023 was very challenging for Scotgold. Q2 2023 has started better but the ability for Scotgold to continue as a going concern is entirely dependent on the quantity and grade of ore that is produced from now on. The Company has good visibility on what is expected for the next 3 months and work is underway on the mining schedule and plans for the balance of 2023 and beyond.

The Board of Directors are pleased to announce that Mr. Maurice Mason has agreed to join the Scotgold Board as a Non-Executive Director, subject to the usual regulatory approvals and process and a news release will be made in due course with further details.

Director participation in the Open Offer

The following Directors, PDMRs and existing shareholders of the Company have participated in the Open Offer, as follows:

Director/PDMR/Shareholder	Shareholding prior to Open Offer Admission	Open Offer Shares subscribed for	Open Offer Shares allocated	Shareholding following Open Offer Admission	
Nathaniel Le Roux	25,300,474	1,666,667	1,666,667	26,967,141	33.50%
William Styslinger	6,762,336	666,667	666,667	7,429,003	9.23%
Peter Hetherington	4,886,974	730,046	730,046	5,597,020	6.95%
Ian Proctor	1,323,989	284,649	284,649	1,608,638	2.00%
Maurice and Nicole Mason	3,990,676	3,333,333	2,898,132	6,888,808	8.56%
Charles Outhwaite	2,203,672	330,550	330,550	2,534,222	3.15%

The notifications below, made in accordance with the requirements of the UK Market Abuse Regulation, provides further detail.

Admission and dealings

The Open Offer Share will, when issued, be credited as fully paid and will rank pari passu in all respects with each other and with the Existing Ordinary Shares. Application has been made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM ("Admission"). Settlement and dealings for the Open Offer Shares and Admission are expected to take place on or around 8.00 a.m. on 17 May 2023.

Total voting rights

Following Admission, the Company will have a total of 80,500,346 Ordinary Shares in issue, with no Ordinary Shares held in treasury. Therefore, following Admission, this figure may be used by shareholders as the denominator for the calculations by which they determine if they are required to notify their interest in, or a change in their interest in, the Company under the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

****ENDS****

For further information please visit www.scotgoldresources.com or contact the following:

Scotgold Resources Limited	Shore Capital	Celicourt Communications
Chief Executive Officer	Nomad and Broker	Financial PR
Phil Day	Toby Gibbs / John More	Felicity Winkles/Ariana Fanning
CFO		
Sean Duffy		
Via Celicourt Communications	Tel +44 (0) 20 7408 4090	Tel +44 (0) 208 434 2643 Tel +44 (0) 774 8843 871

Notes

Scotgold Resources Ltd (AIM:SGZ), is Scotland's first commercial gold producer. The Company poured first gold in November 2020 at its Cononish Gold and Silver Mine ('Cononish') in Tyndrum, Scotland and is developing it into a planned +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.

1	Details of the person discharging managerial responsibilities / person closely associated					
a)	Name	Peter Hetherington				
2	Reason for the notification					
a)	Position/status	Non-Executive Chairman				
b)	Initial notification /Amendment	Initial notification				
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name	Scotgold Resources Limited				
b)	LEI	213800HL5A2K7LW2G360				
4	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					
a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares in the Company AU000XINEAK5				
b)	Nature of the transaction	Purchase of Ordinary Shares pursuant to Open Offer				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="673 1317 1326 1473"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>15p</td> <td>730,046</td> </tr> </tbody> </table>	Price	Volume(s)	15p	730,046
Price	Volume(s)					
15p	730,046					
d)	Aggregated information - Aggregated volume - Price - Total Value	N/A				
e)	Date of the transactions	15 May 2023				
f)	Place of the transaction	Outside of a trading venue				

1	Details of the person discharging managerial responsibilities / person closely associated					
a)	Name	Nathaniel Le Roux				
2	Reason for the notification					
a)	Position/status	Non-Executive Director				
b)	Initial notification /Amendment	Initial notification				
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
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b)	Nature of the transaction	Purchase of Ordinary Shares pursuant to Open Offer				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="673 1330 1326 1487"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>15p</td> <td>1,666,667</td> </tr> </tbody> </table>	Price	Volume(s)	15p	1,666,667
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1	Details of the person discharging managerial responsibilities / person closely associated					
a)	Name	William Styslinger				
2	Reason for the notification					
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b)	Nature of the transaction	Purchase of Ordinary Shares pursuant to Open Offer				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="673 1384 1326 1543"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>15p</td> <td>666,667</td> </tr> </tbody> </table>	Price	Volume(s)	15p	666,667
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d)	Aggregated information - Aggregated volume - Price - Total Value	N/A				
e)	Date of the transactions	15 May 2023				
f)	Place of the transaction	Outside of a trading venue				

1	Details of the person discharging managerial responsibilities / person closely associated					
a)	Name	Ian Proctor				
2	Reason for the notification					
a)	Position/status	Non-Executive Director				
b)	Initial notification /Amendment	Initial notification				
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name	Scotgold Resources Limited				
b)	LEI	213800HL5A2K7LW2G360				
4	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					
a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares in the Company AU000XINEAK5				
b)	Nature of the transaction	Purchase of Ordinary Shares pursuant to Open Offer				
c)	Price(s) and volume(s)	Purchase of shares: <table border="1" data-bbox="673 1330 1326 1489"> <thead> <tr> <th>Price</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>15p</td> <td>284,649</td> </tr> </tbody> </table>	Price	Volume(s)	15p	284,649
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15p	284,649					
d)	Aggregated information - Aggregated volume - Price - Total Value	N/A				
e)	Date of the transactions	15 May 2023				
f)	Place of the transaction	Outside of a trading venue				