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

First pour at Scotland's first commercial gold mine

Scotgold Resources Limited (AIM:SGZ), the gold exploration and production company focused on Scotland, is pleased to announce that yesterday, 30 November 2020, first gold was poured at the Company's high grade, low cost Cononish Gold & Silver Mine, ('Cononish') in the Scottish Grampian Mountains area. Following this first pour, which is a major milestone in the commissioning of the processing plant, the Company looks forward to ramping up production at Cononish to design level early in the New Year and taking its place as Scotland's first commercial gold mine.

Images from the first gold pour will be made available to shareholders on the Company's website at www.scotgoldresources.com and on social media channels shortly.

Accelerated expansion plan underway

In line with its phased development programme, the Company is now focused on completing an accelerated expansion plan to increase production at the mine to 23,500oz pa. The current Phase 1 is targeting an annual rate of ore production of 36,000 tonnes and total gold production of 9,910oz in 2021. Phase 2 will focus on doubling the annual rate of ore production to 72,000 tonnes and a more than doubling in average annual gold production to 23,500oz. The Company is fully funded to achieve Phase 2 expansion by May 2022, 17 months from the commencement of Phase 1 production.

Targeting highly attractive Life of Mine ('LOM') economics

A remodelling exercise incorporating the above accelerated expansion plan for Cononish and gold and silver prices of £1,400/oz and £19.23/oz respectively delivered highly attractive LOM economics:

- £178 million EBITDA
- £156 million pre-tax Cash Flow
- £127 million Net Cash Flow
- £96 million Pre-tax NPV (8% discount rate)

For further details of the updated model, please see the Company's announcement of 12 October 2020. Further updates on the commissioning process and the roll-out of the expansion plan will be provided to the market as and when it is appropriate to do so.

CEO, Richard Gray, commented: *"Our first gold pour is not only a significant milestone in the development of our Cononish Gold & Silver Project but a milestone on the road to a Scottish gold mining industry. Today's news is therefore a landmark event both for the Company and for Scotland.*

"I would like to take this opportunity to commend the work of the Scotgold team both at the operational and managerial levels. All our personnel have worked tirelessly to make this happen in the face of unprecedented challenges caused not least by the ongoing pandemic and associated restrictions. I would also like to thank our shareholders, contractors, advisers, regulatory agencies, the Scottish Government and all stakeholders in the Project for their support throughout this journey. We look forward to continue working closely with all our partners, as we focus on realising the huge potential of gold mining in Scotland not just for the benefit of our shareholders but also for the country as a whole."

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

****ENDS****

For further information please contact:

Scotgold Resources Limited Tel: +44 (0)1838 400 306
Richard Gray

SP Angel Corporate Finance LLP Tel +44 (0) 20 3470 0470
Nomad and Broker
Ewan Leggat / Charlie Bouverat

St Brides Partners Tel +44 (0) 20 7236 1177
Financial PR
Susie Geliher / Frank Buhagiar