

COMPANY ANNOUNCEMENT
20 September 2016

SCOTGOLD TO DELIST FROM ASX

Further to the announcement dated 18 August 2016, Scotgold Resources Limited (ASX:SGZ; AIM:SGZ) (Scotgold or the “Company”) confirms that ASX has accepted its application and resolved to remove the Company from the official list, subject to the satisfaction of the conditions set out in the full ASX decision outlined in the Annexure.

The Company has now agreed with the ASX that the Company will be delisted from the official list at 4pm (Sydney time) on 21 October 2016 and the last day of trading of shares in the Company will be 19 October 2016. A letter is expected to be sent to all shareholders on the Australian sub-register shortly.

No change will occur to the quotation and trading of Scotgold on the London Stock Exchange’s AIM market. Scotgold’s securities will remain tradable as Depository Interests (DIs) on AIM under the code SGZ and Australian shareholders will be entitled to transfer their shares to DIs to be traded on AIM. Details will be provided to existing shareholders regarding the transfer of their Australian SGZ holdings into DI’s and the trading of DI’s on AIM.

Implications for Shareholders on the ASX

In order to trade securities on AIM, holders of securities on the ASX will need to have their securities registered as DIs on AIM. Detailed instructions on the options available to shareholders on the Australian register and what actions they can take will be contained in the letter to shareholders on the Australian sub-register shortly.

Queries in relation to the transfer of shares to AIM may be directed to Computershare Shareholder Enquiries on (AUS) 1300 850 505, or (OS) +61 (03) 9415 4000.

For further information please contact:

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Annexure – full terms of ASX's decision

“RESOLVED

1. Based solely on the information provided, ASX Limited (“ASX”) resolves to remove Scotgold Resources Limited (the “Company”) from the official list of ASX pursuant to listing 17.11, on a date to be decided by ASX in consultation with the Company, subject to compliance with the following conditions.
 - 1.1 The Company sends written or electronic communication to all security holders whose securities are held on the Company’s Australian register, in form and substance satisfactory to ASX, setting out:
 - 1.1.1 the nominated time and date at which the entity will be removed from the ASX official list and that:
 - (a) if they wish to sell their securities on ASX, they will need to do so before then; and
 - (b) if they don’t, thereafter they will only be able to sell the underlying securities on-market on the Alternative Investment Market (“AIM”),
 - 1.1.2 specifically what they will need to do if they wish to sell their securities on AIM, including the conversion of ASX listed fully paid ordinary shares to AIM Depository Interests.
 - 1.2 The removal shall not take place any earlier than one month after the date the information in Resolution 1.1 has been sent to security holders.
 - 1.3 The Company releases the full terms of this decision to the market.
2. ASX has considered listing rule 17.11 only and makes no statement as to the Company’s compliance with other listing rules.

BASIS FOR DECISION

LISTING RULE 17.11

UNDERLYING POLICY

3. ASX may remove an entity from the official list of ASX at the request of an entity. Removal from the ASX official list at an entity's request recognises that remaining listed may no longer be suitable for a listed entity at a particular stage in its existence. There is no requirement for ASX to act on the request. ASX's power not to agree to requests for delisting enables it to ensure that delisting is not sought for inappropriate reasons or conducted in a way that is clearly harmful to the market or to security holders' legitimate interests. ASX may impose conditions on granting the request. The power to impose conditions enables ASX to ensure that an orderly market is maintained in the period leading up to the delisting, and that the listed entity makes appropriate arrangements in connection with its delisting. These may include: giving advanced notice, of an amount of time which is adequate to the particular circumstances; seeking security holder approval for delisting; assisting security holders to trade the entity's securities in another market for a period before or after delisting; or

providing alternative arrangements for security holders to exit their investment before or after delisting.

FACTS AND REASONS FOR DECISION

4. The Company is listed on ASX and AIM and is seeking removal from the official list of ASX. The Company will maintain a listing on AIM on which the majority of its trading occurs. The removal will assist the Company in reducing administrative and compliance costs. The Company considers that the costs of maintaining an ASX listing outweigh the benefits. ASX will agree to the removal request on the conditions stipulated in paragraph 2.6 of ASX Guidance Note 33- Removal of Entities.”