

18 August 2016

The Company Announcements Office
Australian Securities Exchange Limited
4th Floor 20 Bridge Street
SYDNEY NSW 2000

INTENTION TO VOLUNTARILY DE-LIST FROM ASX

Scotgold Resources Limited (ASX:SGZ; AIM:SGZ) (Scotgold or the “Company”) advises that it has applied for a voluntary de-listing of its securities from trading on the Australian Securities Exchange (ASX). The de-listing date is expected to be 7 October 2016, subject to final confirmation from ASX.

The Company notes that on 22 June 2016 the ASX advised the Company that, on an in-principle basis, it would accept an application from the Company to de-list from ASX, subject to the meeting of certain conditions. The terms of the in-principle decision from ASX are attached to this announcement.

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 trading of their shares on AIM.

Reasons for de-listing

The decision to de-list from the ASX is due to a number of factors including the limited trading volume of securities in Scotgold on the ASX over a sustained period of time. Over the past 6 months approximately 98% of the securities trading occurred on AIM. Further, approximately 87% of the securities in Scotgold are held by UK residents or already registered as DIs on AIM.

In addition, the Company’s key assets are all located in the United Kingdom (with some early stage interests in Europe) and the Company has limited business in Australia. As a result, the Board considers the regulatory and other costs associated with maintaining the ASX listing cannot be justified.

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 dispatched to those shareholders upon confirmation from ASX of its final decision.

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.

Richard Gray, CEO of Scotgold, commented:

“The Company continues to follow its stated ambition to reduce corporate overheads and prepare our structure for the development of the Cononish Mine. The voluntary delisting from the ASX will not only significantly reduce associated costs and management time, but will consolidate trading onto one market that our UK based management team is best placed to serve.”

For further information please contact:

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Annexure

ASX's decision is as follows:

1. Subject to Resolution 2, and based solely on the information provided, on receipt of an application for removal from the official list of ASX Limited ("ASX") under listing rule 17.11 by Scotgold Resources Limited ("the Company"), ASX would be likely to remove the Company from the official list of ASX, on a date to be decided by ASX, 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 Depositary 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 upon making a formal application to ASX to remove the Company from the official list of ASX.
2. Resolution 1 applies only until 22 September 2016 and is subject to any amendments to the listing rules or changes in the interpretation or administration of the listing rules and policies of ASX.
3. ASX has considered listing rule 17.11 only and makes no statement as to the Company's compliance with other listing rules.

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke this waiver at any time.