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## **FIRST HOLE ASSAYS FROM CONONISH**

### **Highlights**

- **Cononish drilling returns intersection of 1.95m @ 5.6 g/t gold and 24.05 g/t silver**
- **Second hole nearing target**
- **Scoping study due for completion in mid December 2008**

Gold exploration company Scotgold Resources Limited ("Scotgold Resources" or "the Company") (**ASX: SGZ**) received initial assay results from its first drill hole at its 100% owned Cononish gold and silver project in Scotland.

The first drill hole intersected the Cononish quartz vein 250m below the collar and returned an intersection of **1.95m @ 5.6g/t gold (Au) and 24.05g/t silver (Ag) with an estimated true thickness of 1.38m** over the selected width.

This result confirms the presence of mineralisation below the existing resource envelope. The second drill hole is targeting the vein further down dip.

The first diamond drill hole, CON 11b, which was terminated at 277m, intersected the target quartz vein close to the predicted down hole depth of 250m and was targeted below the JORC compliant resource, detailed in previous announcements.

Assays for gold, silver and other elements have now been received from the initial 6 core samples representing the central 3 metres of a 14.6m wide alteration zone. The assays included the Cononish quartz vein as well as breccia with visible pyrite mineralisation and pink-coloured altered wallrock.

Samples are assayed for gold by two methods, a 30g fire assay and a screen fire assay and show close correlation. The assays were carried out by OMAC Laboratories, based in Galway, Ireland.

A further batch of 19 samples representing the balance of the alteration zone is currently being assayed for gold, silver and other elements. All remaining assays are expected to be received within the next few weeks.



The results for the initial part of the intersection are shown below.

From	To	Width (m)	Au g/t (Fire Assay)	Au g/t (Screen Fire Assay)	Ag g/t
249.15	249.40	0.25	15.23	15.36	51.4
249.40	249.66	0.26	3.49	3.51	31.3
249.66	250.00	0.34	3.88	4.52	21.0
250.00	250.42	0.42	7.83	6.80	35.3
250.42	251.10	0.68	2.39	2.64	5.80
251.10	252.15	1.05	0.078	0.08	1.30

The significant result shown below is a weighted average of five consecutive sub-samples over a down hole length of 1.95m.

From (m)	To (m)	Downhole intersection (m)	Est. true thickness (m)	Fire Assay Au g/t	Screen Fire Assay Au g/t	Ag g/t
<b>249.15</b>	<b>251.1</b>	<b>1.95</b>	<b>1.38</b>	<b>5.6</b>	<b>5.6</b>	<b>24.05</b>

The intersection is located about 10m below the existing resource envelope and indicates a possible down dip extension of the vein.

Drilling of the second diamond drill hole, CON 27, is well advanced and is targeting potential mineralisation down dip of the first hole. The vein is expected to be intersected shortly. A drilling site for the third hole has now been prepared.

These drill holes form part of the recently commenced 2000m diamond drilling program targeting possible down dip and strike extensions to the existing JORC code compliant resource which has been detailed in previous announcements and can be viewed on the Scotgold website [www.scotgoldresources.com](http://www.scotgoldresources.com).

As previously announced, Scotgold is conducting a scoping study to examine the existing economic potential of the project and the impact of possible increased resources available to the project. The study is progressing well and a draft report is expected to be available in mid December.

Chris Sangster  
Chief Executive Officer



**Competent Persons Statement:**

*The Information in this release that relates to Exploration Results is based on information compiled by Dr R Thom MAusIMM. Dr Thom has sufficient experience that is relevant to the style of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves. Dr Thom, who is a Director of Scotgold, consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

**Forward Looking Statements**

*This release includes certain “forward looking statements.” All statements, other than statements of historical fact, are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate and actual results and future events could differ materially from those anticipated in such statements.*

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