

**ASX Release**

**Tuesday 15 December 2009**

**SIGNATURE METALS  
LIMITED**

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**Issued Capital:**  
766 million shares

**ASX Symbol:** SBL

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## EXCEPTIONAL DRILL RESULTS RECEIVED FROM KONONGO GOLD PROJECT

The Company is very pleased to announce further high grade drilling results from the Obenemase Deposit, within the Konongo Gold Project in the world class Ashanti Gold Belt of Ghana.

Results include intersections of:

- **1 metre at 438 g/t gold from 147 metres**
- **2 metres at 13.5 g/t gold from 165 metres**
- **16 metres at 9.76g/t from 170 metres**
  - **including 6 metres at 12.3g/t gold from 170 metres**
  - **including 8 metres at 10.3g/t gold from 178 metres**
- **5 metres at 7.25g/t gold from 200 metres**



**Figure 1. Gold veinlet in hole 09KGDR007 at 148 metres.**

Diamond core drilling continues on site with drilling currently targetting extensions to mineralisation to the north of the Obenemase pit. The rig has just completed drill hole 09KGDR009, which already contains an intersection of **14 metres at 9.01g/t gold from 46 metres** in the precollar (**including 5 metres at 12.3 g/t gold from 47 metres and 5 metres at 10.5g/t from 55 metres**).

An aircore drilling rig has been mobilised to site and will commence drilling this week. An RC drilling rig has been engaged from Ausdrill Limited's (ASX:ASL) wholly owned subsidiary African Mining Services (AMS) and will commence drilling in January. The Company envisages that it will have three drilling rigs operating simultaneously on the Konongo Gold Project in January 2010.

Due to the excellent results received to date the Company will now move to immediately update the resource estimate for the Obenemase Deposit. This will mean that the review of the existing JORC resources on the project (15 million tonnes at 2.02g/t gold in the Indicated and Inferred categories for approximately 978,000 ounces of contained gold; Table 1) will be completed in the first quarter of 2010. The current mining study will also be updated with these results and finalised early in 2010.

Drill holes 09KGDR006, 007 and 008 were drilled to follow up mineralisation intersected in 09KGDR003. Results from hole 09KGDR003 were released previously and included:

- **10 metres at 5.70g/t gold from 173 metres**
  - **including 4 metres at 10.4g/t gold from 174 metres**
- **4 metres at 10.5g/t gold from 127 metres**

Drill holes 09KGDR007 and 09KGDR008 were drilled to test for strike extensions to mineralisation intersected in 09KGDR003. 09KGDR007 (Figure 4) was drilled 20 metres to the north of 09KGDR003 and returned results of:

- **1 metre at 438 g/t gold from 147 metres**
- **2 metres at 13.5 g/t gold from 165 metres**
- **16 metres at 9.76g/t gold from 170 metres**
  - **including 6 metres at 12.3g/t gold from 170 metres**
  - **including 8 metres at 10.3g/t gold from 178 metres**
- **5 metres at 7.25g/t gold from 200 metres**
  - **including 2 metres at 12.8g/t gold from 203 metres**

Drill hole 09KGDR006 was drilled to test the down dip extensions to mineralisation intersected in 09KGDR003 and historical hole OBAD113. The mineralised zone observed in the hole did not have the same tenor as previous intersection (4 metres at 1.46g/t and 4 metres at 1.76g/t) indicating the high grade shoot within the system is orientated down-plunge instead of down dip. This hole deviated substantially (Figure 5 and 6) and looks not to have adequately tested the target.

Drill hole 09KGDR008 was drilled 20 metres to the south of 09KGDR003 and returned an intersection of **10 metres at 1.85g/t** from 267 metres as well as **1 metre at 8.18g/t** from 343 metres (Figure 6). The larger intersection in this hole is geologically similar to the mineralisation seen in 09KGDR003 and provides key data on the orientation of the high grade shoot.

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- Aiming to develop the Konongo Gold Project into a +100,000 ounce per annum gold producer.
- Past production from Konongo Gold Project of 1.6 million ounces at a head grade of 11.8g/t gold.
- Reviewing existing JORC Resources of approximately one million ounces (see Table 2).
- Exploration Target<sup>1</sup> of 1.5 - 2.5 million ounces of gold (20 – 25 million tonnes at a resource grade of 2-4g/t gold).
- Exploration work programmes have commenced with high grade results received from drilling.
- Onsite CIL plant and tailings dam available and serviceable at a fraction of the cost of purchasing a new/second hand plant. Lead time envisaged to be 6-12 months if fast tracked.

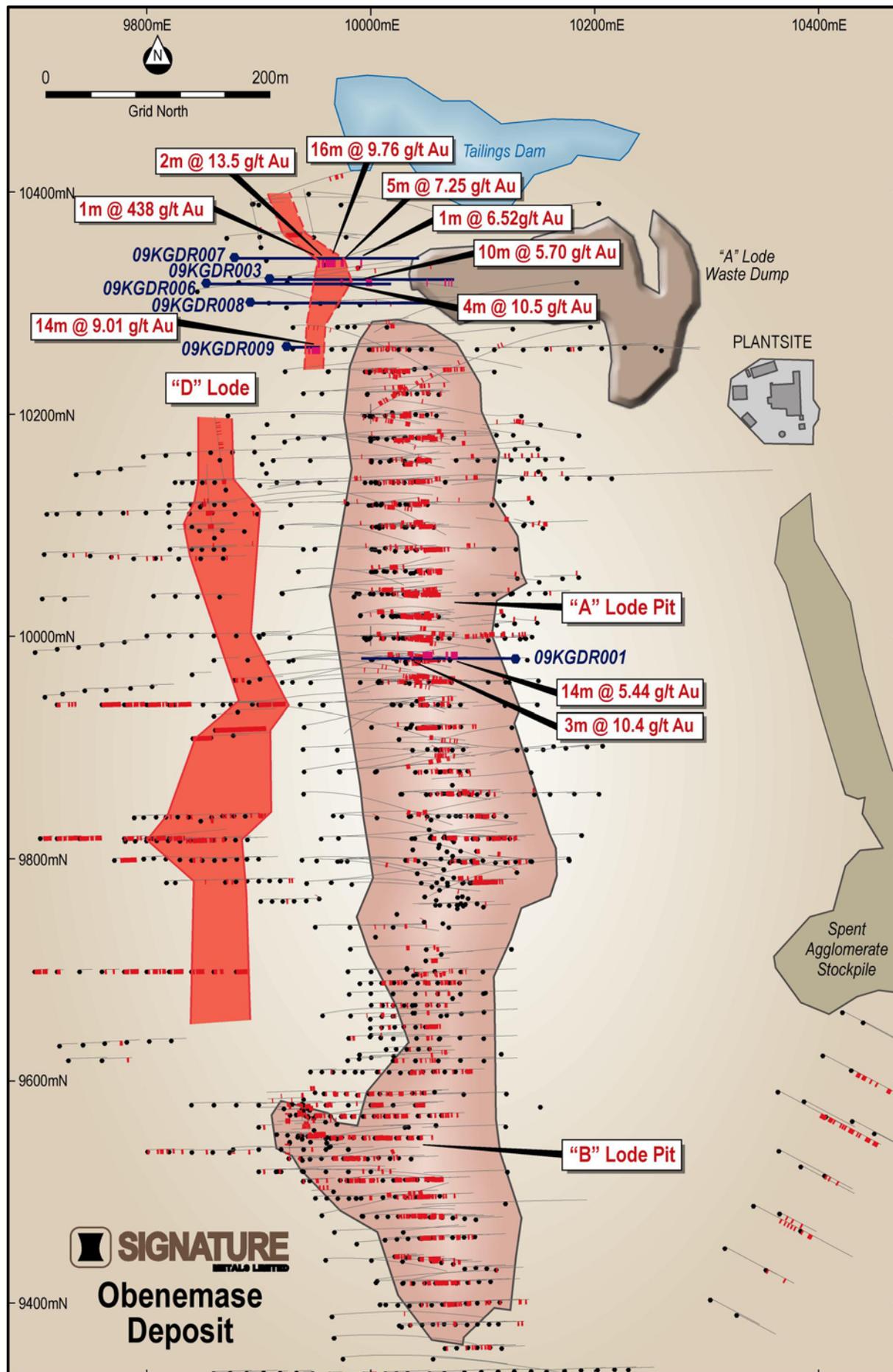
Bill Oliver  
Managing Director  
**SIGNATURE METALS LIMITED**

<sup>1</sup>This exploration target is conceptual in nature and relates to defined exploration targets/areas where mineralisation has been identified but resources have not been delineated. The quantity and grade of the exploration target is based on past production records and in comparison with currently defined Mineral Resources contained within the project. There has been insufficient exploration to define a Mineral Resource in these areas (aside from the resources presented earlier) and it is uncertain if further exploration will result in the determination of a Mineral Resource different to the JORC-Code compliant resource presented earlier. Signature Metals has an exploration strategy to systematically test these areas to determine if Mineral Resources are present.

The information in this release which relates to Exploration Results and Mineral Resources has been compiled and reviewed by Mr Bill Oliver from publically stated JORC-compliant information originally prepared in 2005 by RSG Global for Mwana Africa's AIM-listing document along with a 2006 resource update for the Obenemase Deposit and a 2008 resource update for the Boabedroo deposit. This information, in the opinion of Mr Oliver, complies with the reporting standards of the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

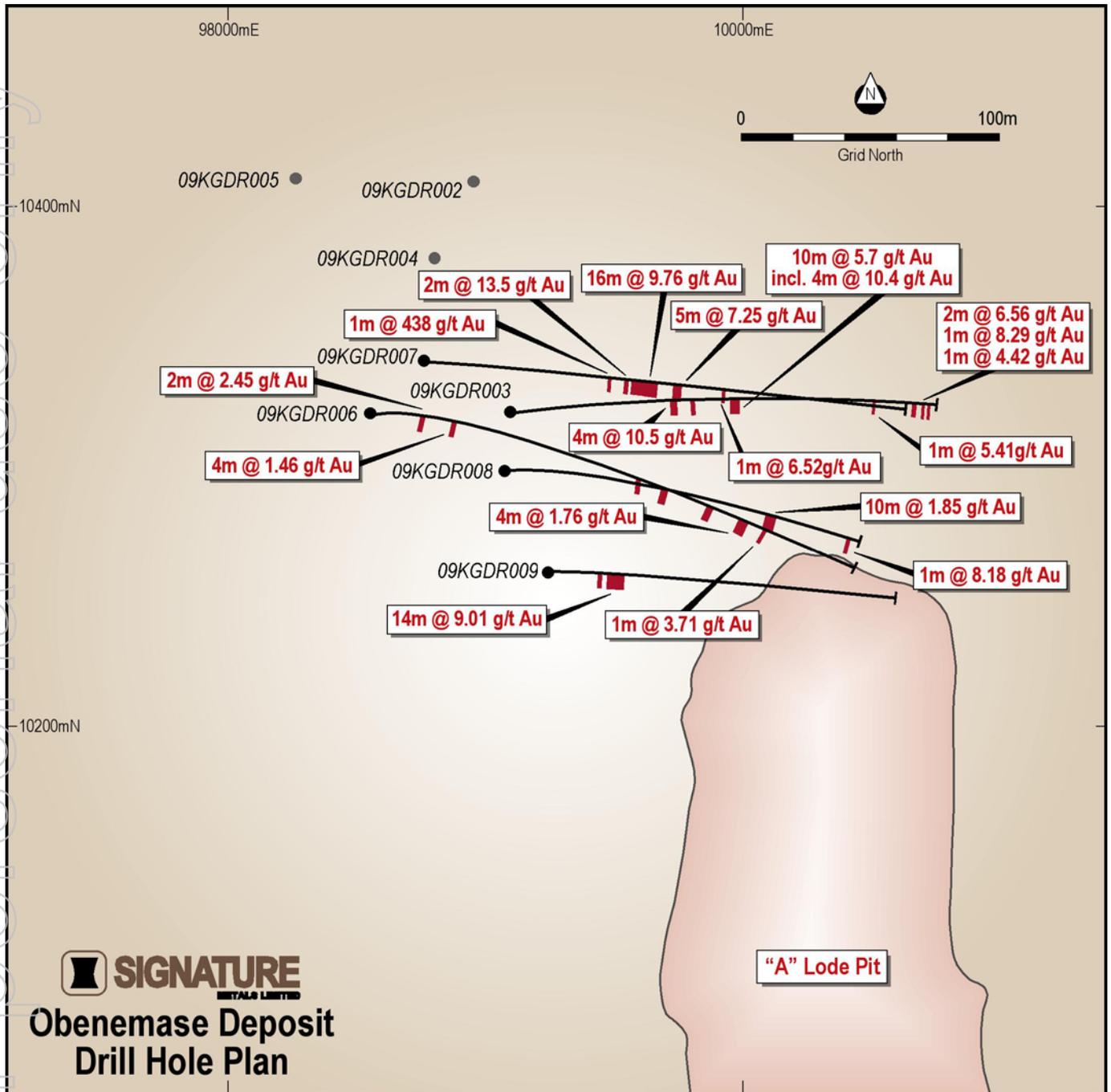
Mr Oliver is a Member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Oliver is the Managing Director of Signature Metals and consents to the inclusion of this table in the form and context in which it appears based on the information presented to him.

Figure 2. Plan showing drilling and infrastructure at the Obenemase Deposit



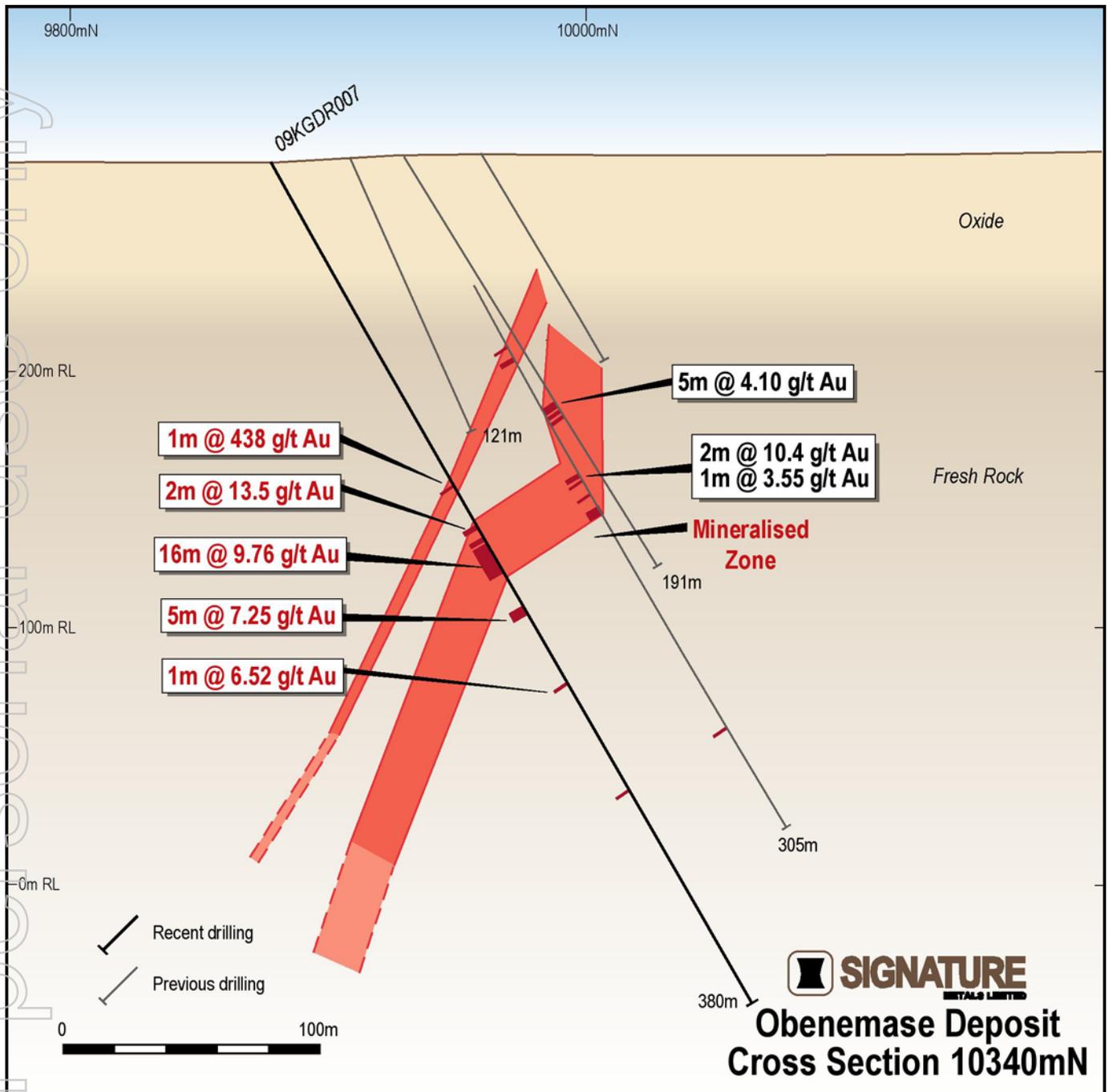
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Figure 3. Plan showing drilling completed by Signature to date



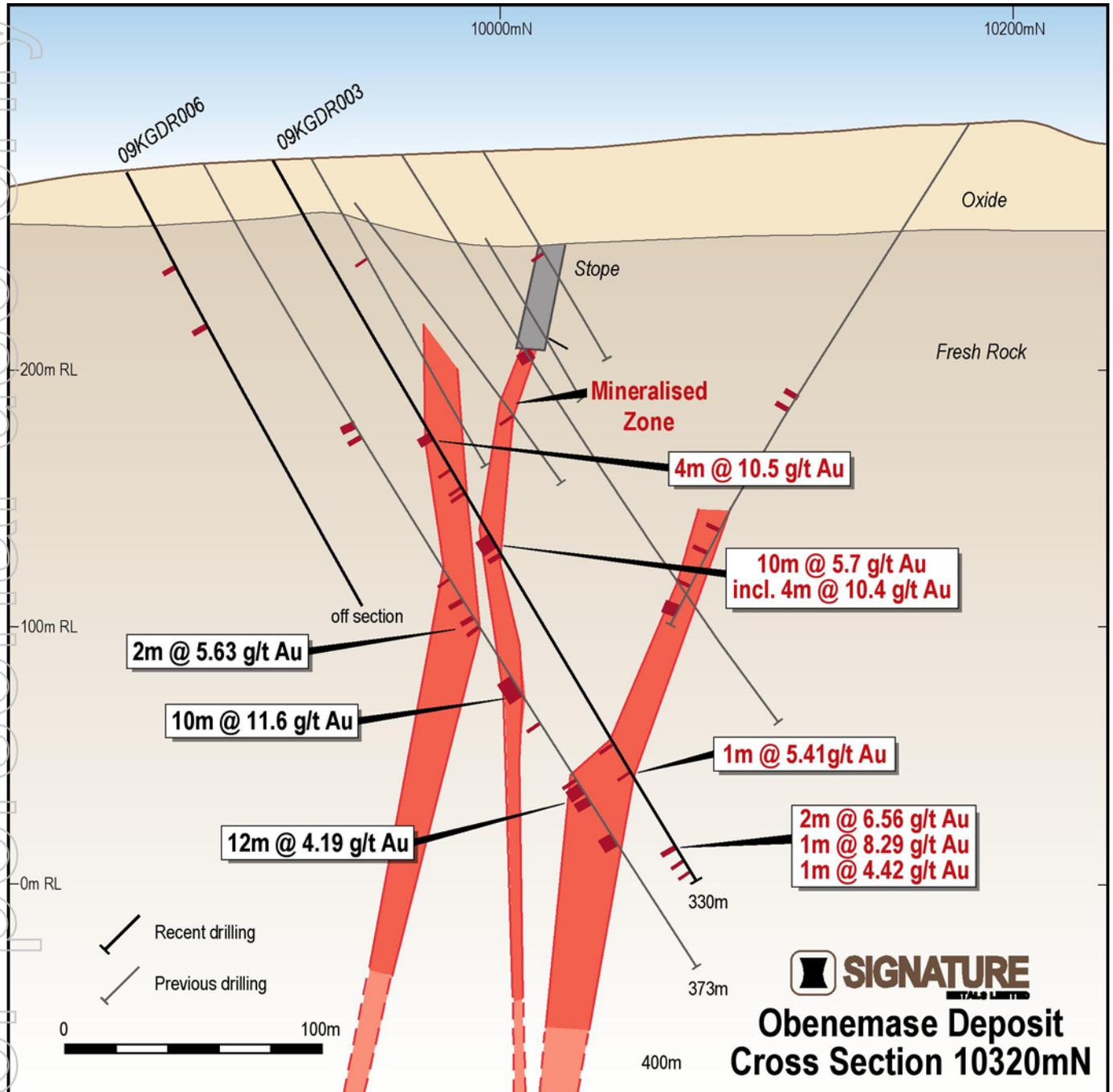
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Figure 4. Cross Section 10340mN showing drill hole 09KGDR007



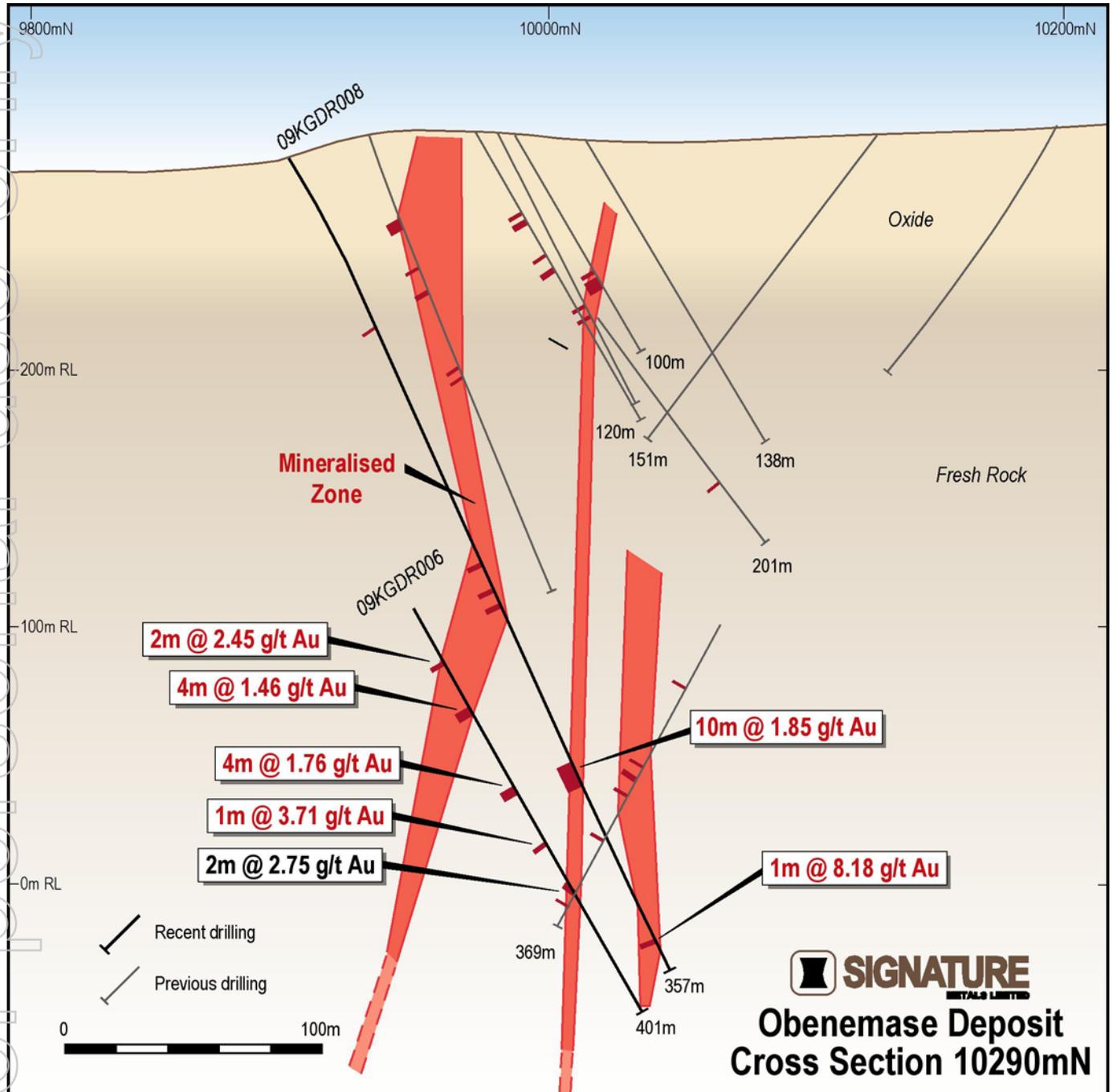
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Figure 5. Cross Section 10320mN showing drill hole 09KGDR003 and 09KGDR006



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Figure 6. Cross Section 10290mN showing drill hole 09KGDR006 and 09KGDR008



**Table 1. Significant Intersections**

All intersections > 1m with grade > 1g/t (including up to 2 metres internal waste if present)

Hole Id	Project Grid		Total Depth	Dip/ Azimuth	Intercept				
	Easting	Northing			From	To	Interval	Grade Au g/t	
09KGDR001	10129	9979	240	-55 / 305	100	101	1	1.22	
					105	108	3	2.86	
					129	143	14	5.44	
					<i>including</i>	129	134	5	9.39
					<i>including</i>	134	148	<i>stope material</i>	
					159	162	3	10.4	
09KGDR003	9910	10321	330	-60 / 125	127	131	4	10.5	
					143	144	1	1.04	
					173	183	10	5.70	
					<i>including</i>	174	178	4	10.4
					281	282	1	5.41	
					313	315	2	6.56	
					320	321	1	8.21	
					325	326	1	4.42	
09KGDR005	9826	10410	32*	-60 / 125	24	28	4	3.32	
					<i>(*pre-collar depth)</i>				
09KGDR006	9850	10320	401	-60 / 125	43	45	2	1.35	
					69	71	2	1.28	
					221	223	2	2.45	
					242	246	4	1.46	
					278	282	4	1.76	
					304	305	1	1.12	
					309	310	1	3.17	
					324	326	2	2.75	
09KGDR007	9876	10341	285	-60 / 125	147	148	1	438	
					165	167	2	13.5	
					170	186	16	9.76	
					<i>including</i>	170	176	6	12.3
					<i>including</i>	178	186	8	10.3
					200	205	5	7.25	
					<i>including</i>	203	205	2	12.8
					236	237	1	6.52	
					284	285*	1	1.81	
(EOH)									
09KGDR008	9896	10300	357	-60 / 125	267	277	10	1.85	
					343	345	2	4.63	
					<i>including</i>	343	344	1	8.18
09KGDR009	9925	10260	280	-60 / 125	39	42	3	2.43	
					46	60*	14	9.01	
					<i>including</i>	47	52	5	12.3
					<i>including</i>	55	60	5	10.5
					60	280	Results pending		

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**Table 2. Resources contained within the Konongo Gold Project**

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade (g/t)	Contained Ounces	Tonnes	Grade (g/t)	Contained Ounces	Tonnes	Grade (g/t)	Contained Ounces	Tonnes	Grade (g/t)	Contained Ounces
Obenemase				1,297,000	3.43	143,000	1,081,000	2.88	100,000	2,378,000	3.18	243,000
Asieye							1,500,000	0.80	38,581	1,500,000	0.80	38,581
Kwakawkaw							344,000	4.31	47,673	344,000	4.31	47,673
Nyabo East							540,000	1.03	17,939	540,000	1.03	17,939
Patuo				43,000	1.60	2,212	122,000	1.42	5,565	165,000	1.47	7,777
Kyereben West							124,000	3.10	12,359	124,000	3.10	12,359
Atunsu North							164,000	4.49	26,165	164,000	4.49	26,165
Aserewa				20,000	1.90	1,222	423,000	3.27	44,423	443,000	3.20	45,645
Atunsu				14,000	3.10	1,395	146,000	4.32	20,275	160,000	4.21	21,670
Apan				24,000	2.50	1,929	530,000	5.46	93,121	554,000	5.34	95,050
Leopard Shaft							95,000	7.55	23,071	95,000	7.55	23,071
Boabedroo				30,000	2.82	2,720	2,985,972	1.59	152,506	3,015,972	1.60	155,226
Akyenase Central				58,000	4.00	7,459	96,000	8.80	27,161	154,000	6.99	34,620
Santreso West				3,520,000	1.20	135,807	810,000	1.25	32,553	4,330,000	1.21	168,360
Santreso South							340,000	1.16	12,682	340,000	1.16	12,682
Santreso East							700,000	1.27	28,612	700,000	1.27	28,612
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,006,000</b>	<b>1.84</b>	<b>295,744</b>	<b>10,000,972</b>	<b>2.12</b>	<b>682,686</b>	<b>15,006,972</b>	<b>2.02</b>	<b>978,430</b>

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