

ASX Release**Monday 21 December 2009****SIGNATURE METALS
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766 million shares

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ACQUISITION OF KONONGO GOLD PROJECT COMPLETED

Signature Metals Limited is very pleased to announce that it has exercised its option to acquire 70% of the Konongo Gold Project from Mwana Africa PLC.

This is a “company-making” transaction for Signature Metals which gives the Company a majority holding in a million ounce resource in the world class Ashanti Gold Belt of Ghana. The property has outstanding exploration potential as well as the opportunity to rapidly move into production through a CIL plant and associated infrastructure on site.

The decision to acquire the project follows receipt of final approvals from the Minister of Lands, Forestry and Mines in Ghana as well as from the Ghanaian Minerals Commission. Encouraging initial results from the Company’s mining study into the Konongo Gold Project, coupled with outstanding drill results, have led all parties to the agreement to agree that the best way to develop the project is under the ownership of Signature Metals.

The Company will issue 50 million shares to Alpina Group Limited (a wholly owned subsidiary of Mwana Africa PLC) to settle the transaction. Approval for the issue was granted by shareholders at last month’s AGM.

Under the terms of the agreement a further payment of 50 million shares or A\$1 million cash will be made once the project achieves 1 million ounces in Measured and Indicated JORC resources. A final payment of A\$3 million in cash or shares will be made following the production of 100,000 ounces of gold from the project.

The project currently contains JORC Code compliant resources of **15 million tonnes at 2.0g/t gold** in the Indicated and Inferred categories (detailed in Table 1) representing **over 975,000 ounces of contained gold:**

Class	Tonnes	Grade (g/t)	Contained Ounces Au
Indicated	5,006,000	1.84	295,745
Inferred	10,001,000	2.12	682,685
Total	15,007,000	2.02	978,430

As previously announced initial drilling results have been exceptional and include:

- 14 metres at 5.44g/t gold from 129 metres (09KGDR001)
 - including 5 metres at 9.39g/t gold from 129 meters
 - including 4 meters of stope material from 134 metres
- 3 meters at 10.4g/t gold from 159 metres (09KGDR001)
- 10 metres at 5.70g/t gold from 173 metres (09KGDR003)
 - including 4 metres at 10.4g/t gold from 174 meters
- 4 meters at 10.5g/t gold from 127 metres (09KGDR003)
- 1 metre at 438 g/t gold from 147 metres (09KGDR007)
- 16 metres at 9.76g/t from 170 metres (09KGDR007)
 - 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 (09KGDR007)
- 14 metres at 9.01g/t gold from 46 metres (09KGDR009)
 - including 5 metres at 12.3 g/t gold from 47 metres
 - including 5 metres at 10.5g/t gold from 55 metres

Diamond drilling continues on site and an RC rig has been contracted to commence in January.

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- Building a strategy to rapidly 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 1).
- Exploration Target¹ 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 first drill holes.
- 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

¹This 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.

Table 1. 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
Total	0	0	0	5,006,000	1.84	295,744	10,000,972	2.12	682,686	15,006,972	2.02	978,430

The Mineral Resource presented in this table 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 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 JORC Code. 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 Exploration 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.