



MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED

APRIL 30, 2023 AND 2022



1.0 INTRODUCTION

The following management discussion and analysis (“MD&A”) is a review of operations, current financial position, and outlook for Signature Resources Ltd. (“Signature” or the “Company”) for the three and six months ended April 30, 2023 and 2022, including other pertinent events up to and including June 26, 2023. The following information should be read in conjunction with the condensed interim consolidated financial statements for the three and six months ended April 30, 2023 and 2022, and notes thereto, (the “Interim Financial Statements”), and the audited consolidated financial statements for the years ended October 31, 2022 and 2021, and notes thereto, (the “Annual Financial Statements”). Amounts are reported in Canadian dollars. Additional information related to Signature is available on the Company's profile at www.sedar.com.

2.0 FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements. The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s (“Management”) analysis only as of the date hereof. Readers should be aware that the Company is under no obligation to publicly release the results of any revision to these forward-looking statements, which may not reflect circumstances, or occurrences of unanticipated events after the date of this document.

3.0 DESCRIPTION OF BUSINESS

The Company was incorporated on May 3, 2010, and is a reporting issuer in the provinces of British Columbia and Alberta. Shares of Signature are listed on the TSX Venture Exchange (“TSXV”) under the symbol “SGU”, on the OTCQB Market under the symbol “SGGTF”, and on the Frankfurt Stock Exchange under the symbol “3S3”. The Company’s principal business activity is the identification, evaluation, and exploration of mineral resource assets in Canada, with a focus on precious metals. The Company is currently exploring Signature’s Lingman Lake gold property in north-western Ontario (“Lingman Lake Project”) or (the “Property”).

The Lingman Lake gold property consists of 1,300 staked claims, four freehold full patented claims and 14 mineral rights patented claims totaling approximately 24,761 hectares. The Property hosts a historical estimate of 234,684 oz of gold* (1,063,904 tonnes grading 6.86 g/t with 2.73 gpt cut-off) and includes what has historically been referred to as the Lingman Lake Gold Mine, an underground substructure consisting of a 126.5-meter shaft, and 3-levels at 46-metres, 84-metres and 122-metres depths. The property is not in production.

The Company continues to explore on the patented claims with a goal of completing an initial NI 43-101 resource estimate which is intended to replace the aforementioned historical resource. As part of the recent strategic review the Company has delayed the completion of the initial 43-101 resource estimate until it can complete an additional drilling program that will, amongst other objectives, target inclusion of the high-grade mineralization discovered in the 1940s activity into the resource estimate.

**Cautionary Note.* The historical resource estimate is based on prior data and reports obtained and prepared by previous operators, and information provided by governmental authorities. A Qualified Person (as defined) has not done sufficient work to verify the classification of the mineral resource estimates in accordance with current CIM categories. The Company is not treating the historical estimate as a current NI 43-101-compliant mineral resource estimate. Accordingly, the historical estimate should not be relied upon. Additional information regarding historical resource estimates is available in the technical report entitled, “Technical Report on the Lingman Lake Property”



dated January 31, 2020, prepared by John M. Siriunas, P.Eng. and Walter Hanych, P.Geo. available on the Company's SEDAR profile at www.sedar.com.

4.0 HIGHLIGHTS

TECHNICAL

- *In fiscal 2022, Signature engaged the services of Wood Canada Limited (formerly Amec Foster Wheeler) ("Wood Canada") to complete an initial NI 43-101 mineral resource estimate ("43-101") for the Lingman Lake Project. As part of the strategic review announced in November, 2022, the Company determined that it was premature to fully commission the 43-101 estimate until it can complete an additional drill program that will be targeted at bringing the high-grade material discovered into the resource calculation.*
- *On March 31, 2023 the Company engaged the services of Watts, Griffis, and McQuat Limited ("WGM") to assist in the review of the current geologic database, provide an updated geologic model and analysis that will further advance our understanding of the area and guide future drill programs. The Company continues to work with WGM to expand its understanding of the Lingman Lake mineralization and to design a drill program targeted at improving the database to provide a fuller outcome when the initial 43-101 is completed in the future.*

CORPORATE

- *Subsequent to the period ended April 30, 2023, 1,000,000 incentive stock options were granted to a director and officer of the Company. The options have an exercise price of \$0.05 and expire five years from the grant date. Vesting occurs over a three-year period;*
- *On March 31, 2023, Signature completed a shares-for-debt transaction whereby \$217,402 of the Company's outstanding debt was settled through the issuance of 5,435,050 common shares of the Company, to two non-arm's length parties, at a fair value of \$0.04 per share;*
- *On March 8, 2023, the Company announced the closing of a non-brokered private placement (the "Offering"), through the issuance of 20,325,000 shares, priced at \$0.04 per share, for total proceeds of \$813,000. Participants in the private placement included a non-arm's-length party to the Company who subscribed for 4,564,950 common shares, as well as insiders of the Company who purchased or acquired a total of 10,000,000 common shares in the Offering;*
- *During the period ended April 30, 2023, 667,500 options expired, unexercised. The options had a weighted average exercise price of \$0.38;*
- *On December 6, 2022, the Company completed a 5:1 share consolidation approved by shareholders at the annual general and special meeting of shareholders held on May 26, 2022; and*
- *On November 15, 2022, the Company announced a restructuring and streamlining of the executive management team, and as a result, Robert Vallis resigned as President and CEO, and Rickardo Welyhorsky resigned from his role as COO. Dan Denbow, a director of the Company, was appointed as Interim Chief Executive Officer ("CEO").*

OUTLOOK

On March 9, 2022, the Company announced the engagement of Wood Canada Limited to complete an initial NI 43-101 for the Lingman Lake Project. As part of the strategic review announced November 16, 2022 the Company has determined that the acceleration of the resource study was premature. The Company is continuing with the ongoing compilation and management of its exploration data. This includes but is not limited to, inputting all



current and historical drill data into a drill software management program which should standardize data output for future drill programs and resource estimate updates.

The resource data work completed to date has provided insight into where the database requires modernization to meet NI 43-101 requirements. It has been determined that the exploration work completed in the 1940s, while informative, cannot be included in the resource as the core cannot be re-assayed for verification purposes. The Company will design a drill program that will target the high-grade mineralization indicated by the drilling completed in the 1940's, as well as several additional holes to fill the voids in the database that, if successful, will allow the conversion of some material from waste to ore in the resource. The Company is working with WGM to design the drill program to fill the gaps in the database and bring the high-grade mineralization into the resource when it is completed. The timing of the completion of the drilling program and the resource estimate are dependent on several factors including the availability of funding.

Additional and parallel work continues the advancement of our understanding of the regional potential of Signature's vast property. This work is expected to further refine the top-ranked regional targets utilizing our ground-based geophysical surveys and surface data collection to focus our efforts on priority targets in our regional exploration program.

Signature's exploration strategy is focused on safely and responsibly defining and expanding the 100%-owned Lingman Lake Project and, within its regional property, the discovery of additional gold deposits with economically profitable potential. Management continues to be prudent and disciplined in the development and execution of its exploration strategy within the macro environment of changing stock markets and economic conditions related to gold exploration.

5.0 OVERALL PERFORMANCE

The Company completed all of its current drilling programs in early 2022 and turned its focus towards providing an initial resource estimate that would provide a strong technical plan for further resource evaluation on the Lingman Lake Project and the regional potential of the large land package surrounding the Lingman Lake patented claims. Significant strides were made in 2022 toward completing this work but opportunities to improve the results were identified that will prolong the completion of the initial NI 43-101. The Company has delayed the completion of the initial NI 43-101 until additional drilling can be completed to bring the high-grade areas discovered in the 1940s into the resource estimate.

National Instrument 43-101 Resource Update

In early 2022, based on an extensive exploration data review, the Company made the decision to accelerate its plans to commission an initial NI 43-101. It was intended that the planned resource estimate should provide Signature with several key insights to position the Company's exploration strategy, including:

- Establishing an initial NI 43-101 compliant resource that is more representative of the existing mineralization;
- Providing a better understanding of the associated local geology and geologic controls of the mineralization; and
- Positioning the team to be able to continue to unlock and extend the pending initial resource with improved geological guidance for drilling, as testing and developing new drill targets at Lingman Lake continues.



Substantial work has been completed and has contributed to an improved understanding of the Lingman Lake deposit. A review of this work has included:

- Finalizing the compilation of the drill and assay database
- 3D geologic modelling and analysis
- The identification and analysis of gaps and opportunities to improve the completeness of the assay database to support geological interpretation and the resource estimate
- The engagement of Watts, Griffis, and McQuat Limited (“WGM”) to provide supplemental assistance and peer review with the initial resource work completed and provide an updated geologic model and analysis that will further advance our understanding of the area and guide future drill programs.

On June 28, 2023 the Company announced that as a result of the strategic review (previously announced November 15, 2022), Management has determined the acceleration of the completion of the Initial N1 43-101 resource estimate was premature. The objective of the action is still supported and will strengthen the Company but it has been determined that there are gaps in the database that need to be filled before an estimate should be completed that would meet the goals stated above. Subject to market conditions, the Company along with assistance from WGM is designing a drill program that will rectify deficiencies in the historical database. A forest fire in 2021 resulted in the destruction of a number of core racks and significantly degraded our ability to confirm drilling data from the 1980s that would resolve some of our deficiencies. It was determined that the 1940s drilling, that reported high-grade intercepts, contained substantial information but would not meet the standards necessary to be included in a modern resource. The new drill program will have three priorities to advance the Lingman Lake Project. First, to target blocks containing high-grade mineralization identified with the 1940s drilling. Second, to drill areas identified in the 1980s dataset where additional data will benefit the current model and third, identifying potential gaps in the mineralization arising from the lack of drilling data. The program is expected to improve the confidence in past exploration efforts with the overall aim of bringing the historic high-grade parts of the deposit to modern technical standards. The exploration program will also seek to identify vectors for the high-grade mineralization in the Lingman Lake deposit to further focus exploration efforts.

Site Activities Summary

- Site drilling ended in early December 2021 followed by equipment shutdown and temporary camp closure preparations;
- The planning, scheduling and execution of equipment and supplies via winter road access to Red Sucker Lake staging area commenced early 2022. Equipment and supplies were transported via the winter road to Red Sucker Lake in Q1/2022, which provided a significantly cheaper logistical alternative for the transport of large heavier equipment which was shipped to site late in April, via helicopter;
- The site camp was closed for major activities except for the delivery of specific equipment and supplies as well as maintenance and assembly of equipment during late April and early May; this afforded Management the opportunity to focus on resource development;
- A site visit was conducted with a representative from Wood Canada in early May in order to establish the requirements to satisfy the NI 43-101 mineral resource estimate work that Wood Canada was conducting; and
- From June 8 to October 20, 2022, a small crew was on site to work on the campaign of the additional sampling and assaying of a limited number of drill holes between the existing high-grade gold shear zones. The core from 30 holes, drilled from 1987, 1988 and 2021 was cut and sampled for assaying.



- From April 29 to May 6, 2023 representatives from WGM and Signature conducted a site visit to inspect the core stored at site, discuss the database and review steps forward for their review, analysis and updating of the geologic model.

Land Tenure

Assessment work was filed through the Mining Land Administration System (MLAS) Ministry of Energy Northern Development and Mines, Ontario, in June 2022, for the 2021 Airborne Geophysical Survey and 2021 Ground Magnetometer Survey. Expenditures totaling \$164,056 from the Airborne survey, and \$92,087 from the Ground Magnetometer Survey were allocated to the Company's claims. The allocated expenditures were distributed into reserves for respective claims for future assessment distribution. The Company continues to maintain the granted claims and will complete a diamond drill report and IP Survey report for the 2021 activity that will provide further allocated expenditures for future assessment distribution. The Company plans to review and evaluate its land claims package (See Figure 1) and adjust its holdings based on the results of its regional exploration work. Over the past year the Company has reduced its staked claims package by 120 claims and will continue to review the prospectiveness of the claims held going forward. All the claims are in good standing with authorities. Currently, Signature has 1,300 staked claims, four freehold full patented claims and 14 mineral rights patented claims totaling approximately 24,761 hectares.

LINGMAN LAKE PROPERTY

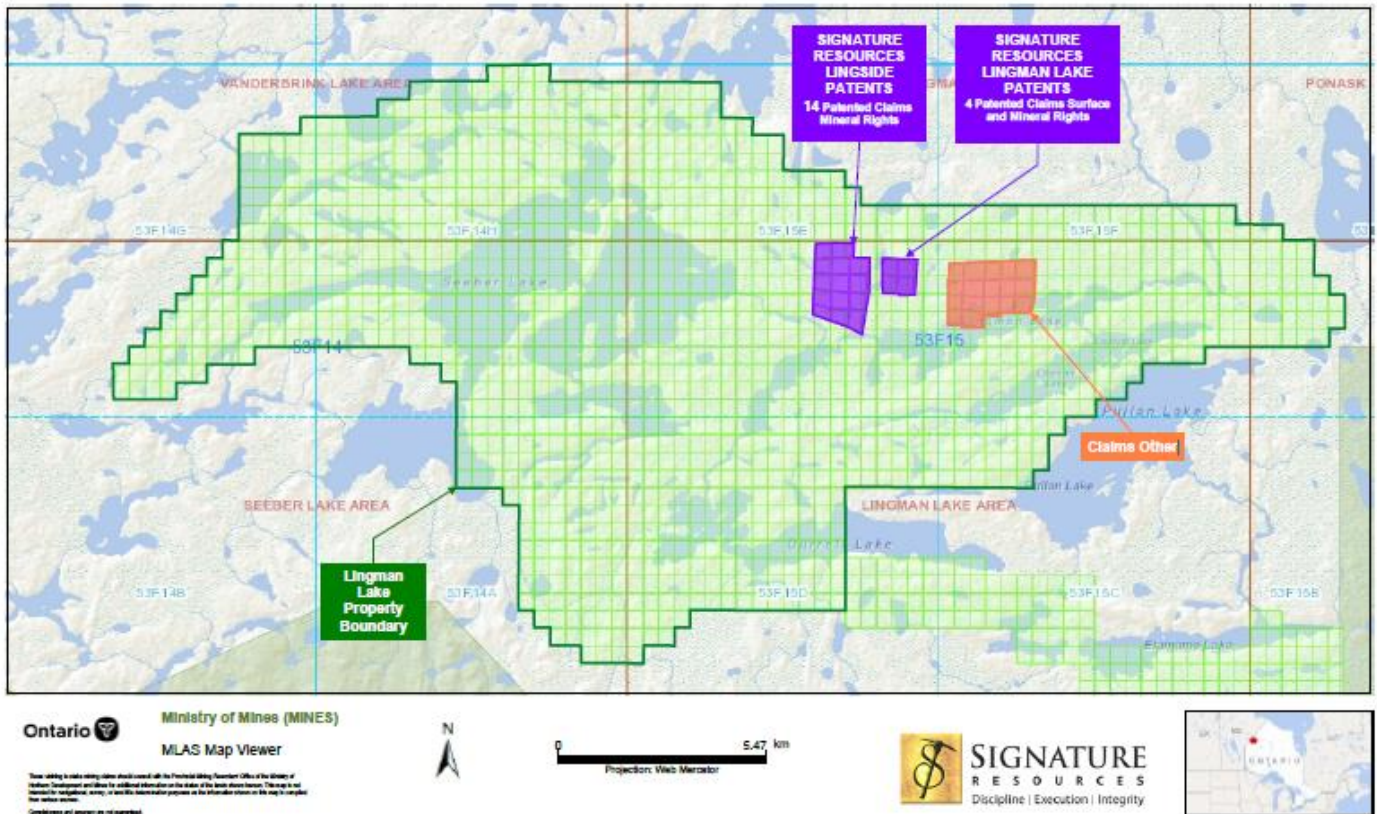


Figure 1 – Lingman Lake Gold Project Land Holdings Covering 90% of the Lingman Lake Greenstone Belt



5.1 RESULTS OF OPERATIONS

SUMMARY OF QUARTERLY RESULTS

	F2023		F2022				F2021		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss for the period ⁽¹⁾	(435,050)	(269,659)	(590,082)	(1,073,238)	(1,212,674)	(1,485,526)	(3,599,575)	(2,025,970)	(1,368,255)
Loss per share ⁽²⁾	(0.01)	0.00	(0.01)	(0.02)	(0.02)	(0.03)	(0.08)	(0.04)	(0.06)
E&E expenditures	166,749	60,471	149,793	574,559	784,423	1,114,812	3,238,658	1,522,956	1,137,696
Total assets ⁽¹⁾	1,425,696	1,207,641	1,308,232	1,515,598	2,571,692	1,596,220	3,048,516	6,733,489	3,752,896
Long-term liabilities	803,869	795,357	786,935	855,879	853,332	850,796	848,271	273,847	273,847

⁽¹⁾ Restated to reflect the change in accounting policy for exploration and evaluation expenditures (see section 6.1, *Accounting Policies*)

⁽²⁾ Basic and diluted

Three months ended April 30, 2023 vs April 30, 2022

During the quarter ended April 30, 2023, the Company incurred a net loss of \$435,050 (2022 - \$1,212,674), which consisted of depreciation on equipment of \$89,843 (2022 - \$91,546), exploration and evaluation expenditures of \$166,749 (2022 - \$786,948), office and general expenses of \$97,300 (2022 - \$127,629), salaries and wages of \$45,185 (2022 - \$213,975), share-based payments expense of \$15,185 (2022 - \$24,615), and professional fees of \$21,178 (2022 - \$58,432). The decrease in net loss of \$777,624 year over year was mainly attributable to decreased exploration and evaluation activity and reduced management fees. During the quarter, exploration work at the site was deferred while the technical team focused on the work necessary to determine the initial 43-101 resource estimate on the Lingman Lake Project.

Six months ended April 30, 2023 vs April 30, 2022

During the six months ended April 30, 2023, the Company incurred a net loss of \$704,709 (2022 - \$2,698,200), which consisted mainly of exploration and evaluation expenditures of \$227,220 (2022 - \$1,899,235), salaries and wages of \$75,585 (2022 - \$352,550), office and general expenses of \$151,774 (2022 - \$237,430), professional fees of \$37,919 (2022 - \$68,432), and share-based compensation expense of \$31,530 (2022 - \$55,862). Total operating expenses, year-over-year, decreased by \$1,993,491, principally due to significantly reduced exploration activity, the elimination of certain executive management salaries, and decreased office and general costs. Share-based compensation expense was somewhat lower in Q2/2023 due to fewer stock option grants during the period compared to Q2/2022, and the amortization and vesting of several tranches of option grants in the prior year. Depreciation was generally in line with the prior year comparative period.

5.2 FINANCING

On March 9, 2022, the Company closed a non-brokered private placement (the "March 2022 Offering") of flow-through shares and non-flow-through shares, raising aggregate gross proceeds of \$2,447,336 through the issuance of 3,938,467 non-flow-through shares (the "NFT Shares") and 3,616,560 flow-through shares (the "FT Shares"). Each NFT Share was issued at a price of \$0.30, and each FT Share was issued at a price of \$0.35. The Company paid finder's fees of \$8,261 and issued 27,538 finders warrants exercisable at \$0.50 per share for a period of 12 months from the date of closing. The net proceeds from the March 2022 Offering were used for the commission of the NI



43-101 resource estimate and related deposit characterization, ongoing exploration data compilation, and general corporate purposes.

Directors and officers subscribed for 1,278,333 NFT Shares and 911,429 FT Shares of the March 2022 Offering.

On March 8, 2023, the Company completed a non-brokered private placement through the issuance of 20,325,000 shares priced at \$0.04 per share, for gross proceeds of \$813,000 (the "March 2023 Offering"). Participants in the private placement included a non-arm's length party to the Company who subscribed for 4,564,950 common shares as well as insiders of the Company who purchased or acquired a total of 10,000,000 common shares in the March 2023 Offering. All securities issued in connection with the March 2023 Offering are subject to a four-month-and-one-day statutory hold period. The Company did not pay any finder's fees related to the March 2023 Offering. The proceeds from the March 2023 Offering will be used by the Company for ongoing resource modeling activities, general corporate purposes, and improving the working capital position of the Company.

On March 31, 2023, Signature completed a shares-for-debt transaction, previously announced on March 8, 2023, whereby \$217,402 of the Company's outstanding debt was settled through the issuance of 5,435,050 common shares of the Company to two non-arm's length creditors at a fair value of \$0.04 per share. The debt settled includes a \$200,000 loan made by a non-arm's length party to the Company on November 19, 2022 (See section 5.4, *Liquidity and Capital Resources*). The securities issued in the shares-for-debt transaction are subject to a statutory hold period ending on August 1, 2023.

Pursuant to closing the non-brokered private placement announced on March 8, 2023, and the shares-for-debt transaction announced March 31, 2023, the Company issued a total of 25,760,050 shares during the Reporting Period, with 15,000,000 shares being acquired by insiders of the Company.

5.3 EQUIPMENT AND EXPLORATION AND EVALUATION ("E&E") EXPENDITURES

The Company did not purchase any equipment during the three and six months ended April 30, 2023 (year ended October 31, 2022 - \$182,029). Management believes the capital investment in equipment in prior year periods supports the optimization of the exploration camp, improves drilling support, worker safety, and effectiveness.

MINERAL PROPERTY EXPENDITURES AND REHABILITATION PROVISION

The following table summarizes the E&E expenditures incurred at the Lingman Lake Property:



As at	April 30, 2023	October 31, 2022
Cumulative expenditures, beginning of the period	\$ 15,431,706	\$ 12,808,119
Travel and lodging	26,837	183,304
Contract labour, salaries, wages	18,120	434,858
Asset retirement obligation accretion expense (note 1)	16,934	34,458
Field Supplies	20,687	366,006
Assays	17,228	127,777
Consulting expenses (note 7)	60,184	328,981
Equipment rentals	3,965	91,830
Geotechnical and storage	-	111,799
Logistics	63,265	654,773
Geophysical and geological consulting	-	385,595
Asset retirement obligation adjustment (note 11)	-	(95,794)
Total expenditures during the period	227,220	2,623,587
Cumulative expenditures, end of the period	\$ 15,658,926	\$ 15,431,706

Rehabilitation Provision

Historical work done by other companies on the Company's mining sites also resulted in MENDM issuing an order to the Company requiring the filing of a mine closure plan ("MCP"). Therefore, the rehabilitation provision recorded in the consolidated financial statements represents the estimate of the eventual legal and contractual obligations associated with a future closure of the Company's mining operations either progressively or at the end of the mine life. A draft MCP was submitted to MENDM in September 2021. The company is awaiting a response from MENDM to discuss the results of actions taken by the Company with respect to the MCP, and to discuss any further requirements needed to finalize the closure plan. The MCP obligations consist of estimated costs associated with reclamation and monitoring activities and the removal of tangible assets from the Company's mining sites.

A summary of the Company's rehabilitation provision is presented below:

As at	April 30, 2023	October 31, 2022
Balance, beginning of period	\$786,935	\$848,271
Change in estimate	-	(95,794)
Accretion expense	16,934	34,458
Balance, end of period	\$803,869	\$786,935

During the year ended October 31, 2022, the Company recorded an adjustment to the liability on the statement of financial position at its present value amount, adjusted for 2.53% annual inflation, and discounted back to October 31, 2022, using a risk-free interest rate of 4.35%, which resulted in a change in estimate of (\$95,794), which is included in exploration and evaluation expenditures. During the three-month period ended April 30, 2023, the Company has recorded accretion expense of \$8,512 (2022 – \$2,536) which is included in exploration and evaluation expenditures (note 6). During the six-month period ended April 30, 2023, the Company has recorded



accretion expense of \$16,934 (2022 – \$5,061).

5.4 LIQUIDITY AND CAPITAL RESOURCES

At April 30, 2023, the Company had cash and investments of \$341,938 (October 31, 2022 - \$60,719) and a working capital deficiency of \$734,530 (October 31, 2022 –\$1,278,566). The Company still requires additional financing to pay for capital expenditures and exploration and administrative costs required to advance exploration on its Project. The Company has a history of operating losses and of negative cash flows from operations. The Company remains reliant on capital markets for future funding to meet its ongoing and future obligations.

Prior to the establishment of operations at the Company's Lingman Lake Property, the Ministry of Energy, Northern Development and Mines ("MENDM") had requested the removal of certain above ground storage tanks containing approximately 800,000 litres of fuel, which was considered a mine hazard. This request was made to prior owners of the mine site and they failed to comply with MENDM's request to clean it up. Consequently, MENDM took action and managed the disposition of the fuel at a cost of \$884,325. (the "Clean-up Cost"). Pursuant to accounting principles, the potential Clean-up Cost has been recorded on the Company's statement of financial position as a current accrued liability, however no attempt at collection by MENDM has been made to date. Further, in early September 2021, the Company submitted a draft mine closure plan to MENDM, a plan that addresses this item and others. The Company plans to address these items with MENDM when the MCP is reviewed. The timing of the review is undetermined.

In November 2022, the Company entered into a short-term loan agreement with a director of the Company in the amount of \$200,000. On March 31, 2023, this loan was settled through the issuance of 5,000,000 shares (See section 5.2, *Financing*).

5.5 OUTSTANDING SHARE DATA

For information regarding outstanding share capital of the Company, please see the table presented below.

As at	June 26, 2023	April 30, 2023	October 31, 2022
Common shares	80,899,682	80,899,682	55,139,632
Options	5,170,000	4,170,000	7,237,500
Warrants	2,407,290	2,407,290	2,434,828
Fully diluted share capital	88,476,972	87,476,972	64,811,960

COMMON SHARES

The Company is authorized to issue an unlimited number of common shares without par value.

The Company has never paid dividends.

See note 8(b) – Share Capital in the Interim Financial Statements for details of all share issuances as at and during the period ended April 30, 2023, and the year ended October 31, 2022 (the "Reporting Periods").



The following is the share capital activity for the Reporting Periods:

	Number of common shares	Amount
Balance, October 31, 2021	47,412,105	\$15,582,097
Private placements	7,555,027	2,447,336
Less: share issuance costs	-	(72,857)
Exercise of stock options	172,500	104,617
Fair value of warrants issued	-	(9,296)
Premium on flow-through shares	-	(180,828)
Balance, October 31, 2022	55,139,632	\$17,871,069
Private placements	20,325,000	813,000
Less: share issuance costs	-	(11,644)
Shares issued for debt	5,435,050	217,402
Balance, April 30, 2023	80,899,682	\$17,871,069

STOCK OPTIONS

See note 8(c) – Share Capital - Stock Options in the Interim Financial Statements for details of all stock option activity during the Reporting Periods.

Signature has a stock option plan (the “SOP”), the purpose of which is to attract, retain and motivate management, staff, and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth. The maximum number of options to be issued under the Plan shall not exceed 10% of the total number of common shares issued and outstanding. The options are non-transferable and may be granted for a term not exceeding ten years. The exercise price and the vesting period of the options are determined by the Board based on the market price of the common shares, subject to all applicable regulatory requirements.

The following summarizes the stock options activity for the period ended April 30, 2023, and the year ended October 31, 2022:

	Number of Options	Weighted Average Exercise Price \$
Balance, October 31, 2021	4,225,000	0.51
Granted	3,200,000	0.38
Exercised	(172,500)	0.33
Expired	(15,000)	0.65
Balance, October 31, 2022	7,237,500	0.45
Expired	(667,500)	0.38
Cancelled	(2,400,000)	0.40
Balance at April 30, 2023	4,170,000	0.50

On March 9, 2022, 2,400,000 options were granted to officers of the Company. The options have an exercise price of \$0.40 and expire five years from the grant date. These options vest over three years and will be subject to



certain key performance indicators being met, and an annual review by the Board of Directors of the Company. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; risk-free rate interest rate of 1.65% and expected volatility of 127%. The fair value assigned to these options was \$817,611. Due to the resignation of these officers in November 2022, and prior to meeting their performance targets, these options did not vest and were canceled.

Subsequent to the period ended April 30, 2023, 1,000,000 options were granted to a director and officer of the Company. The options have an exercise price of \$0.05 and expire five years from the grant date. These options vest as to 25% immediately and 25% annually thereafter, through to the third anniversary of the grant date.

During the period ended April 30, 2023, 667,500 options expired, unexercised. The options had a weighted average exercise price of \$0.38.

The following summarizes the outstanding stock options at April 30, 2023:

Grant Dates	Exercise Price \$	Weighted Average Remaining Life (years)	Number of Options Outstanding	Number of Options Exercisable
Oct.17- Oct. 29, 2018	0.60	0.08 – 0.74	110,000	110,000
Jun. 17 - Nov. 7, 2019	0.25 - 0.375	1.13 – 1.53	70,000	70,000
Jul.14 - Aug. 17, 2020	0.25 - 0.50	2.21 – 2.30	700,000	700,000
Nov. 1 - Dec. 23, 2020	0.35 - 0.65	2.53 – 2.65	1,540,000	1,155,000
Jan. 19 - Feb.16, 2021	0.55 - 0.65	2.73 – 2.80	160,000	120,000
May 10 - Aug. 4, 2021	0.80 - 1.00	1.03 – 3.27	790,000	405,000
May 27, 2022	0.30	4.08	800,000	200,000
	0.50	2.85	4,170,000	2,760,000

WARRANTS

See note 8(d) - Share Capital - Warrants in the Interim Financial Statements for details of all warrants activity in the Reporting Periods.

The following table reflects the activity of warrants for the year ended October 31, 2022, and the period ended April 30, 2023:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, October 31, 2021	16,660,918	0.65
Issued	27,538	0.50
Expired	(14,253,628)	0.55
Balance, October 31, 2022	2,434,828	1.16
Expired	(27,538)	0.50
Balance, April 30, 2023	2,407,290	1.17



The following summarizes the outstanding warrants at April 30, 2023:

Expiry Date	Exercise Price \$	Weighted Average Remaining Life (years)	Number of Warrants Outstanding
July 9, 2023	1.10 - 1.25	0.19	2,407,290
	1.17	0.19	2,407,290

The fair value of the Company's 27,538 finders warrants issued on March 9, 2022 were estimated using the Black-Scholes pricing model, using the following assumptions: expected dividend yield of 0%; risk-free rate interest rate of 1.45% and expected volatility of 128%. The fair value assigned to these warrants was \$9,296. On March 9, 2023, these warrants expired, unexercised. The warrants had a weighted average exercise price of \$0.50.

5.6 OFF-BALANCE SHEET ARRANGEMENTS

A 3% net smelter return ("NSR") is attached to each of three different claim blocks:

- four full patented mining (mineral and surface rights) claims known as the Lingman Lake Mine;
- 12 legacy Crown land claims known as Lingman Lake East/Anaconda claims, and
- 14 partially patented mining (mineral rights) claims known as the Lingside claims.

The Company can purchase one-half of the NSR of each claim block for \$1,500,000, collectively totaling \$4,500,000, for all three.

5.7 PROPOSED TRANSACTIONS

There are no proposed transactions at the date of this report.

5.8 RELATED PARTY TRANSACTIONS

As at April 30, 2023, the Company owes \$nil (October 31, 2022 - \$235,008) to executives of the Company for unpaid consulting fees and expenses. These amounts are included in accounts payable and accrued liabilities. They are unsecured, non-interest-bearing, and due on demand.

Short-term management fees paid to related parties during the three-month period ended April 30, 2023, include \$nil (2022 - \$50,000) which has been recorded in exploration and evaluation expenditures on the statement of loss and comprehensive loss. These fees for six-month period ended April 30, 2023, include \$nil (2022 - \$115,400) in E&E expenditures. Short-term management fees paid during the periods ended April 30, 2023 relate to services provided by the CFO and Corporate Secretary. Prior year period fees also included CEO and COO fees, as well as amounts paid to non-arm's length advisors to the Company.

Period ended April 30,	Three months		Six months	
	2023	2022	2023	2022
Short-term management fees	\$24,900	\$157,775	\$49,800	\$361,750
Share-based payments	13,454	14,125	15,301	36,744
	\$38,354	\$171,900	\$65,101	\$398,494

See section 5.2, *Financing*, for director and officer participation in private placement financings.



See section 5.4, *Liquidity and Capital Resources*, for details of a related party loan.

5.9 FINANCIAL INSTRUMENTS

Categories and fair value of financial instruments

The Company's financial instruments consist of cash, investments, amounts receivable, and accounts payable and accrued liabilities. The carrying values of the Company's short-term financial assets and liabilities approximate their fair values due to their short periods to maturity.

The following table summarizes the categories and fair values of the Company's financial instruments:

At April 30, 2023				
	Carrying Value			Fair Value
	FVTPL	FVTOCI	Amortized Cost	Total
Financial Assets and Liabilities			\$	\$
Cash	-	-	336,188	336,188
Investments	-	-	5,750	5,750
Amounts receivable	-	-	23,308	23,308
Accounts payable and accrued liabilities	-	-	(1,218,485)	(1,218,485)

At October 31, 2022				
	Carrying Value			Fair Value
	FVTPL	FVTOCI	Amortized Cost	Total
Financial Assets and Liabilities			\$	\$
Cash	-	-	3,219	3,219
Investments	-	-	57,500	57,500
Amounts receivable	-	-	52,071	52,071
Accounts payable and accrued liabilities	-	-	(1,463,534)	(1,463,534)

6.0 CRITICAL ESTIMATES

Significant assumptions about the future and other sources of estimation uncertainty that management has made during the reporting period could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made. These critical estimates relate to i) exploration and evaluation expenditures, ii) income, value-added, withholding, and other tax-related estimates, iii) estimations of restoration, rehabilitation, and environment obligations, and iv) share-based payments.

A detailed description of Management's estimates can be found in note 3 – *Significant Accounting Policies* – in the Annual Financial Statements.

6.1 ACCOUNTING POLICIES

A detailed description of the accounting policies applied by the Company can be found in note 3 – *Significant Accounting Policies* – in the Annual Financial Statements for the year ended October 31, 2022, and the Interim Financial Statements for the three and six months ended April 30, 2023.



Standards issued and effective for annual periods beginning on or after November 1, 2021

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

IAS 1 – In February 2021, the IASB issued ‘Disclosure of Accounting Policies’ with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023. **Presentation of Financial Statements (“IAS 1”)** was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on or after January 1, 2023.

IAS 8 – In February 2021, the IASB issued ‘Definition of Accounting Estimates’ to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets (“IAS 37”) was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on or after January 1, 2022.

IAS 16 – Property, Plant and Equipment (“IAS 16”) was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on or after January 1, 2022.

The Company has not adopted these policy amendments and standards and is currently assessing the potential impact of them on the Company’s Annual Financial Statements.

7.0 RISKS AND UNCERTAINTIES

The Company is in the business of acquiring and exploring natural resource properties in Canada. Due to the high-risk nature of the Company’s proposed business and the present stage of exploration of its resource properties, which are at very early stages, the following risk factors, amongst others, may apply:



Exploration Stage Company

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company's success depends largely upon its ability to locate commercially productive mineral reserves. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful.

Success in establishing reserves is a result of several factors, including the quality of management, the level of geological and technical expertise, and the quality of property available for exploration. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change.

Substantial expenditures are required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that any future exploration programs will result in the establishment or expansion of resources or reserves.

Exploration and Development Risks

The business of exploring for minerals and mining involves a high degree of risk. There is no assurance the Company's mineral exploration activities will be successful. Few properties that are explored are ultimately developed into producing mines. In exploring and developing any future mineral deposits, the Company could be subject to an array of complex economic factors and technical considerations. Delays in obtaining governmental approvals, inability to obtain financing or other factors could cause delays in exploring and developing properties. Such delays could materially adversely affect the financial performance of the Company. Unusual or unexpected formations, formation pressures, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, environmental hazards, the discharge of toxic chemicals and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Company has limited experience in the development and operation of mines and in the construction of facilities required to bring mines into production. The Company has relied and may continue to rely upon consultants and others for operating expertise. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Permits and Licenses

The operations of the Company require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, and mining operations at its projects, on reasonable terms or at all. Delay or failure to obtain such licenses and permits or failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

Claim Title Matters

Often, the mining claims in which the Company could acquire an interest in have not been surveyed and, accordingly, the precise location of the boundaries of the claims and ownership of mineral rights on specific tracts of land comprising the claims may be in doubt. Such claims would not be converted to lease and tenure, and are,



accordingly, subject to annual compliance with assessment work requirement. Other parties may dispute the Company's title to its mining properties. While the Company has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties is in good standing; this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements, first nation's land claim or transfers of land claims and titles which may be affected by undetected defects.

Environmental and Other Regulatory Requirements

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions, and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory approval and there is no assurance that such approvals will be obtained. Although the Company believes its mineral and exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Operating Hazards including Insurance Risks

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest could be subject to all the hazards and risks normally incidental to exploration, development, and production of base metals, any of which could result in work stoppages, damage to property, and possible environmental damage. Although the Company currently holds certain insurance coverage, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial condition.

Key Personnel

Attracting and retaining experienced senior officers are critical to Signature's success. Recruiting qualified personnel as the Company grows is also critical to its success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons, is intense. As the Company's business activity grows, so may the requirement for additional key financial, administrative, regulatory and mining personnel as well as additional operations staff. If the Company is unsuccessful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on future cash flows, earnings, results of operations and the financial condition of the Company.

Financing

To fund future exploration on its mining interests, the Company requires capital. Dependent on exploration success results, the Company may not have sufficient working capital and may have to access the capital markets. There is no assurance that such funding will be available to the Company, or that it may be obtained on terms favourable to the Company. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development, or production on any or all of the Company's properties, or even a loss of property interests. The Company has no formal credit facilities at this time and given the Company's current stage of development, it is not expected that such credit facilities would be available to the Company.



Competition

There is aggressive competition within the mining industry for the identification, evaluation and acquisition of properties considered to have commercial potential. The Company competes with other mineral exploration companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases, and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. The Company's inability to compete with other mineral exploration companies for these resources may have a material adverse effect on the Company's results of operations and business.

Share Price Volatility

Similar to other mineral exploration companies, Signature's share price is subject to certain volatility which is not necessarily related to the operating performance, underlying asset values or prospects of the Company. The Company's share price may be influenced by external factors that are beyond the control of management. There can be no assurance that fluctuations in the Company's share price will not occur.

Fluctuation of Metal Prices

The market price of precious metals and other minerals is volatile and cannot be controlled. If the price of precious metals and other minerals should drop significantly, the economic prospects of the projects which the Company has an interest in could be significantly reduced or rendered uneconomic. There is no assurance that, even if commercial quantities of ore are discovered, a profitable market may exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any minerals discovered. The marketability of minerals is also affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of minerals, the effect of which cannot be accurately predicted.

Community Relations

The Company's relationship with the local communities and First Nations ("Interested Parties") where it operates is critical to ensure the future success of its existing activities and the potential development and operations of its Lingman Lake project. Failure by the Company to maintain good relations with these Interested Parties could result in adverse claims and difficulties for the Company.

8.0 QUALIFIED PERSON

The scientific and technical content presented in this MD&A has been prepared, reviewed, and approved by Mr. Walter Hanych, P. Geo., who is a Qualified Person under NI 43-101 regulations and is a consultant of the Company.



CORPORATE DIRECTORY

DIRECTORS

Paolo Lostritto, Director, Chairman of the Board
Dan Denbow, Director
Stephen Timms, Director, Chair of the Audit Committee
Lisa Davis, Independent Director
John Hayes, Independent Director
Priya Patil, Independent Director

OFFICERS AND MANAGEMENT

Dan Denbow, Interim CEO
Donna McLean, CFO
Sarah Morrison, Corporate Secretary

ADVISORY BOARD

Dr. Scott Jobin-Bevans
John Leliever

AUDITORS

McGovern Hurley LLP
Toronto, ON

LEGAL COUNSEL

Weir Foulds LLP
Toronto, ON

TRANSFER AGENT

TMX Trust Co.
Toronto, ON

BANKER

Bank of Montreal
Toronto, ON

CORPORATE OFFICE

401 Bay Street, Suite 2704
Toronto, ON M5H 2Y4

Additional information is available on SEDAR at
www.sedar.com or
<http://www.signatureresources.ca/>

SHAREHOLDER INFORMATION

info@signatureresources.ca