

Signature Resources Announces Closing of a Private Placement

Toronto, Ontario--(Newsfile Corp. - March 8, 2023) - Signature Resources Ltd. (TSXV: SGU) (OTCQB: SGGTF) (FSE: 3S3) ("Signature" or the "Company") is pleased to announce that it has closed a non-brokered private placement (the "Offering"). Pursuant to the Offering, the Company has issued 20,325,000 common shares (the "Shares") for aggregate gross proceeds of C\$813,000. Each Share was issued at a price of C\$0.04.

Insiders of the Company purchased or acquired direction and control over a total of 14,564,950 Shares under the Offering. The placement to those persons constitutes a "related party transaction" within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 -*Protection of Minority Security Holders in Special Transactions* ("MI 61-101") adopted in the Policy. Pursuant to Sections 5.5(b) and 5.7(1)(b) of MI 61-101, the Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval, respectively, in connection with the Offering as the common shares are listed on the TSX Venture Exchange, neither the fair market value of the common shares proposed to be purchased by the Participating Directors' in the Offering nor the consideration to be received for such common shares will exceed \$2,500,000, and at least two-thirds of the independent directors in respect of the Offering have approved the transaction.

All securities issued in the Offering are subject to a statutory hold period ending July 9, 2023, and the Offering is subject to final acceptance of the TSX Venture Exchange.

Approximately 21% of the gross proceeds of the Offering will be used to pay amounts currently owing by the Company to non-arm's length parties, approximately 18% of the gross proceeds of the Offering will be used to pay amounts owing to former management of the Company, and the balance of the proceeds will be used to fund, in part, ongoing work in preparation of the initial mineral resource estimate for the Lingman Lake gold property and for general corporate and working capital purposes. It is not expected that any of the proceeds of the Offering will be used for payments to persons conducting investor relations activities.

"This offering is a significant step in resetting Signature's path towards delivering on our goals of developing a better understanding of the potential for the Lingman Lake property and our large regional land package. We have significantly reduced our spending with a focus on efficient use of investors' capital as we move forward towards completing our initial resource. We believe we have a good plan to add value for investors with a focus on executing at each step to meet our objectives."
Dan Denbow, Interim CEO, and Director

Shares for Debt:

The Company also announces that it has entered into a shares for debt agreement (the "Agreement"), to satisfy an aggregate of \$217,402 of the Company's outstanding debt (the "Indebtedness") related to a bridge loan provided to the Company as well as for consulting services provided to the Company. An aggregate of 5,435,050 Shares at a deemed price of \$0.04 per Share are proposed to be issued to the creditors who are considered related parties of the Company, (the "Related Parties"). The Company confirms the debt settlement is not related to payments being made to persons conducting investor relations activities. All securities issued in the proposed transaction are subject to a statutory hold period as required by securities law. This transaction is subject to final acceptance of the TSX Venture Exchange.

Management Options:

The Company has also reserved for grant to certain senior management of the Company, 1,000,000

incentive stock options to acquire common shares in the capital of the Company at an exercise price of \$0.05 and vesting over three (3) years (the "Options"). In addition, the grant of these Options is subject to compliance with the limitations under the Company's Option Plan, which limits the number of options to 10% of the issued and outstanding shares of the Company.

About Signature

The Lingman Lake gold property consists of 1,434 staked claims, four freehold fully patented claims and 14 mineral rights patented claims totaling approximately 27,113 hectares. The property includes what has historically been referred to as the Lingman Lake Gold Mine, an underground substructure consisting of a 126.5-metre shaft, and 3-levels at 46-metres, 84-metres and 122-metres depths. There has been over 28,000 metres (177 drill holes) of historical drilling done on the Property.

To find out more about Signature Resources Ltd., visit our website at www.signatureresources.ca, or contact:

Donna McLean
Chief Financial Officer
416-840-6345 or
info@signatureresources.ca

Cautionary Notes

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

This news release contains forward-looking statements which are not statements of historical fact. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions and risks associated with infectious diseases, including COVID-19. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to changes in general economic and financial market conditions, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-

looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/157672>