

ASX Release

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**SIGNATURE METALS
LIMITED**

Level 1 / 33 Richardson Street
WEST PERTH
Australia

Tel: +61 8 9481 0101
Fax: +61 8 9200 4469

Contact:
Bill Oliver
(Managing Director)

E-mail:
info@signaturemetals.com.au

Directors / Officers:

Matthew Wood
Bill Oliver
Timothy Flavel
Stuart Murray
Scott Funston

Issued Capital:
935 million shares

ASX Symbol: SBL

Media:
Fortbridge +612 9331 0655
Bill Kemmery 0400 122 449

JORC RESOURCE UPGRADED TO OVER 1.2 MILLION OUNCES OF CONTAINED GOLD

The Company is very pleased to announce that the **JORC resource** contained within the Konongo Gold Project has been **upgraded to over 1.2 million ounces of gold**. Significantly, resources in the **Indicated** category have **increased by 77% to almost 525,000 ounces**.

The **total resource** for the project is now **17.9 million tonnes** at a **grade of 2.10g/t gold** for **1.21 million ounces of contained gold** and is classified as follows:

Class	Tonnes	Grade (g/t)	Ounces Au
Indicated	7,627,500	2.13	523,185
Inferred	10,239,000	2.08	684,680
Total	17,866,500	2.10	1,207,865

Resources for the Apan, Atunsu, Aserewa, Boabedroo and Obenemase Deposits have been re-estimated by an independent consultant following a significant amount of data compilation and validation. New ore body interpretations were modelled in 3D for each deposit allowing creation of new resource / block models. The resources for each of these deposits, including their classification into Indicated and Inferred categories, is detailed in Table 1.

The resource upgrade does not include the resource for the Old Konongo Tailings Dam which is currently being estimated following receipt of assays from the recent aircore drilling.

At an **EV / resource ounce less than A\$20 per ounce** Signature Metals is underpriced relative to other West African gold explorers, developers and miners (Figure 1). Work is progressing rapidly towards the re-commencement of production at the Konongo Gold Project including environmental studies underway and mining studies being finalised. An aggressive drilling programme continues on site.

Significantly the review and re-estimation of these resources has highlighted several areas where extensions to mineralisation are untested along strike or at depth below these resources. The Company is currently assessing several targets for immediate drilling and is reviewing its Exploration Target¹ of 1.5 - 2.5 million ounces of gold.

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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.
- JORC Resources of approximately 1.2 million ounces.
- 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 programmes progressing well, 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

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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 Mineral Resources is based on information compiled by Mr Peter Ball who a Member of the Australian Institute of Mining and Metallurgy and the Manager of Data Geo. Mr Ball 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 Ball consents to the inclusion in this release of matters relating to Mineral Resources in the form and context in which they appear based on the information presented to him.

The information in this release which relates to Exploration Results is based on information compiled by Mr Bill Oliver. 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 in this release of the matters relating to Exploration Results in the form and context in which it appears based on the information presented to him.

Figure 1. JORC Resources (Moz contained gold) and EV / resource ounce for selected West African gold companies listed on the ASX

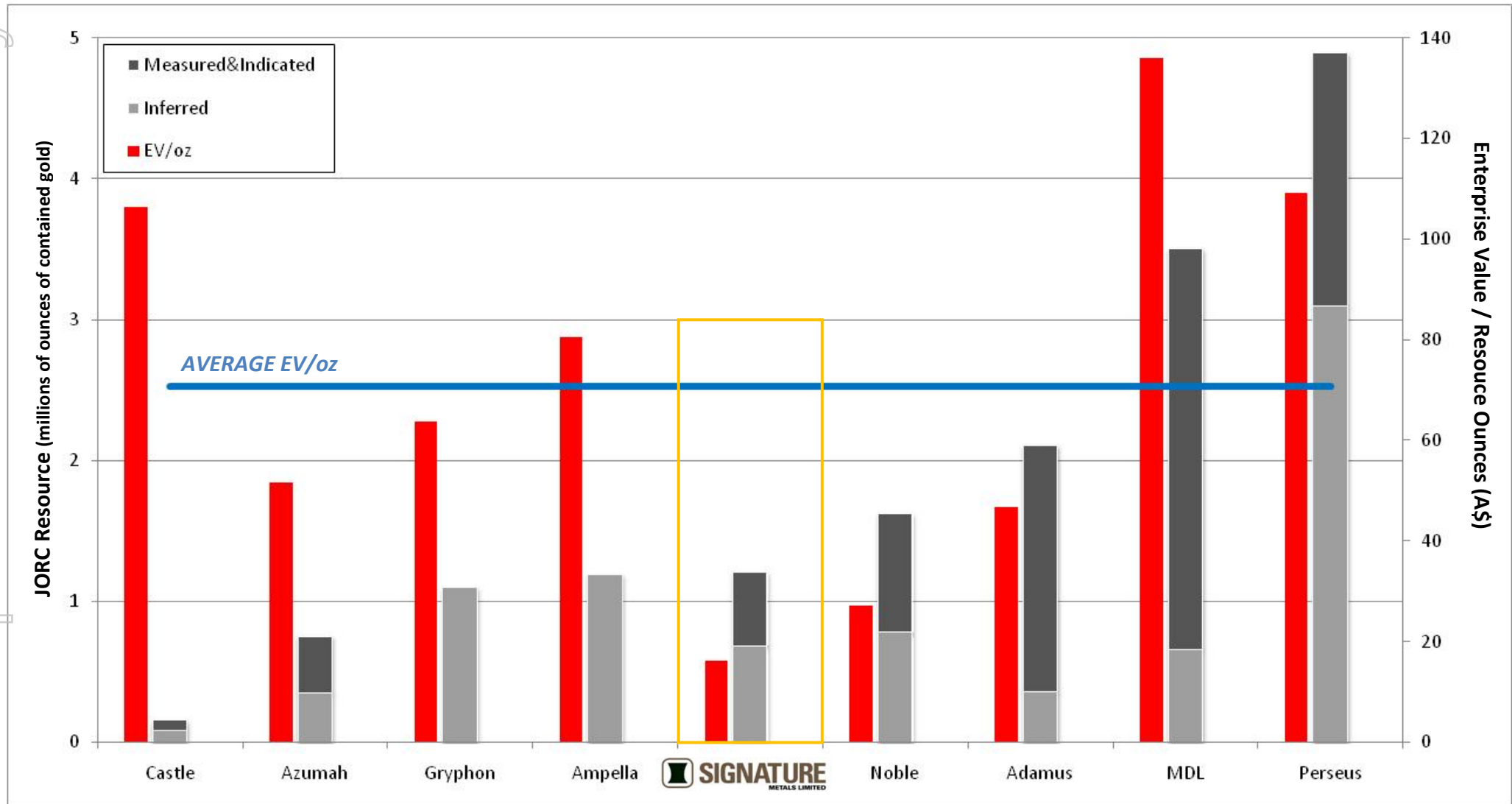


Table 1. Resources contained within the Konongo Gold Project. Re-estimated resources highlighted in bold.

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				3,267,000	3.08	323,605	1,739,000	2.37	132,695	5,006,000	2.83	456,300
Asieye							1,500,000	0.80	38,580	1,500,000	0.80	38,580
Kwakawkaw							344,000	4.31	47,675	344,000	4.31	47,675
Nyabo East							540,000	1.03	17,940	540,000	1.03	17,940
Patuo				128,000	1.43	5,905	445,000	1.19	17,045	573,000	1.25	22,950
Kyereben West							124,000	3.10	12,360	124,000	3.10	12,360
Aserewa				324,000	2.42	25,130	136,000	4.66	20,355	460,000	3.10	45,485
Atunsu				99,000	2.01	6,415	659,500	2.61	55,435	758,500	2.54	61,850
Apan				39,000	2.03	2,565	526,000	2.22	37,620	565,000	2.21	40,185
Leopard Shaft							95,000	7.55	23070	95,000	7.55	23,070
Boabedroo				192,500	2.63	16,295	2,184,500	2.58	180,900	2,377,000	2.58	197,195
Akyenase Central				58,000	4.00	7,460	96,000	8.80	27,160	154,000	6.99	34,620
Santreso West				3,520,000	1.20	135,810	810,000	1.25	32,555	4,330,000	1.21	168,365
Santreso South							340,000	1.16	12,680	340,000	1.16	12,680
Santreso East							700,000	1.27	28,610	700,000	1.27	28,610
Total	0	0	0	7,627,500	2.13	523,185	10,239,000	2.08	684,680	17,866,500	2.10	1,207,865

The Mineral Resources presented in this table for the Obenemase, Boabedroo, Aserewa, Atunsu, Apan and Patuo Deposits is based on information compiled by Mr Peter Ball who is a Member of the Australian Institute of Mining and Metallurgy and is the Manager of Data Geo. Mr Ball 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 Ball consents to the inclusion of this table in the report in the form and context in which it appears based on the information presented to him.

The Mineral Resources for the Obenemase, Boabedroo, Aserewa, Atunsu, Apan and Patuo Deposits were derived from solid models of mineralised zones defined by geology and Au grade. Au grade was estimated into block models created from these zones using Inverse Distance². Tonnage was assigned by weathering condition (oxide, transition, fresh) using default SG values generated from historical drill core measurements. The Mineral Resources are classified according to geological continuity, grade continuity and geostatistical parameters relating to sample density. The Mineral Resource is reported below the recorded extents of open cut mining at a 1.0g/t cutoff for fresh rock material and a 0.5g/t cutoff for oxide & transition material. Material recorded as being mined by underground methods has also been removed from the Mineral Resource.

Other Mineral Resources presented in this table have 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. 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 a 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.