

ASX Release

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EXCELLENT DRILL RESULTS FROM BOABEDROO SOUTH

Signature Metals Limited is very pleased to announce initial drilling results from the Boabedroo South Deposit at the Konongo Gold Project, located in the world class Ashanti Gold Belt of Ghana. Significant intercepts are listed in Table 1, with results including:

- **21 metres at 2.66 g/t gold from 47 metres**
 - including 5 metres at 3.16g/t gold
 - including 2 metres at 6.72g/t gold
- **3 metres at 6.15 g/t gold from 77 metres**
 - including 1 metre at 17.0g/t gold
- **9 metres at 2.18 g/t gold from 83 metres**
 - including 1 metre at 9.14g/t gold
- **2 metres at 10.4g/t gold from 24 metres**
- **7 metres at 2.79 g/t gold from 42 metres**
 - including 2 metres at 7.19g/t gold
- **4 metres at 3.39 g/t gold from 15 metres**
- **6 metres at 2.80 g/t gold from 34 metres**
 - including 1 metre at 7.96g/t gold
- **6 metres at 2.02 g/t gold from 115 metres**
- **6 metres at 1.72 g/t gold from 10 metres**
 - including 3 metres at 2.58g/t gold

RC drilling at Boabedroo South concentrated on over 800 metres of unmined gold mineralisation to the south of the historical Boabedroo South open cut (Figure 1). The strike extension to the Boabedroo Deposit was first identified by Mwana Africa plc in two drilling campaigns which yielded results including:

- **2 metres at 53.2 g/t gold from 29 metres**
- **23 metres at 3.66g/t gold from 100 metres**
- **9 metres at 6.08 g/t gold from 133 metres**
- **5 metres at 6.53g/t gold from 15 metres**
- **4 metres at 16.4g/t gold from 96 metres**

The results from this recent drilling programme confirm the thickness and tenor of mineralisation present in this area as well as successfully extending high grade zones within the deposit along strike and at depth. In total 38 holes were drilled for 4,008 metres. Results are still pending from 18 drill holes (corresponding to 2,040 metres of drilling).

Once all results are received the Company will move to update the resource estimate for the Boabedroo Deposit (which currently stands at 2.38 million tonnes at 2.58 g/t gold for over 197,000 contained ounces of gold in the Indicated and Inferred category; details in Table 2), following which the pit design for this deposit will be re-optimised. The Boabedroo South Deposit is likely to be one of the first deposits mined when mining and processing re-commences at Konongo.

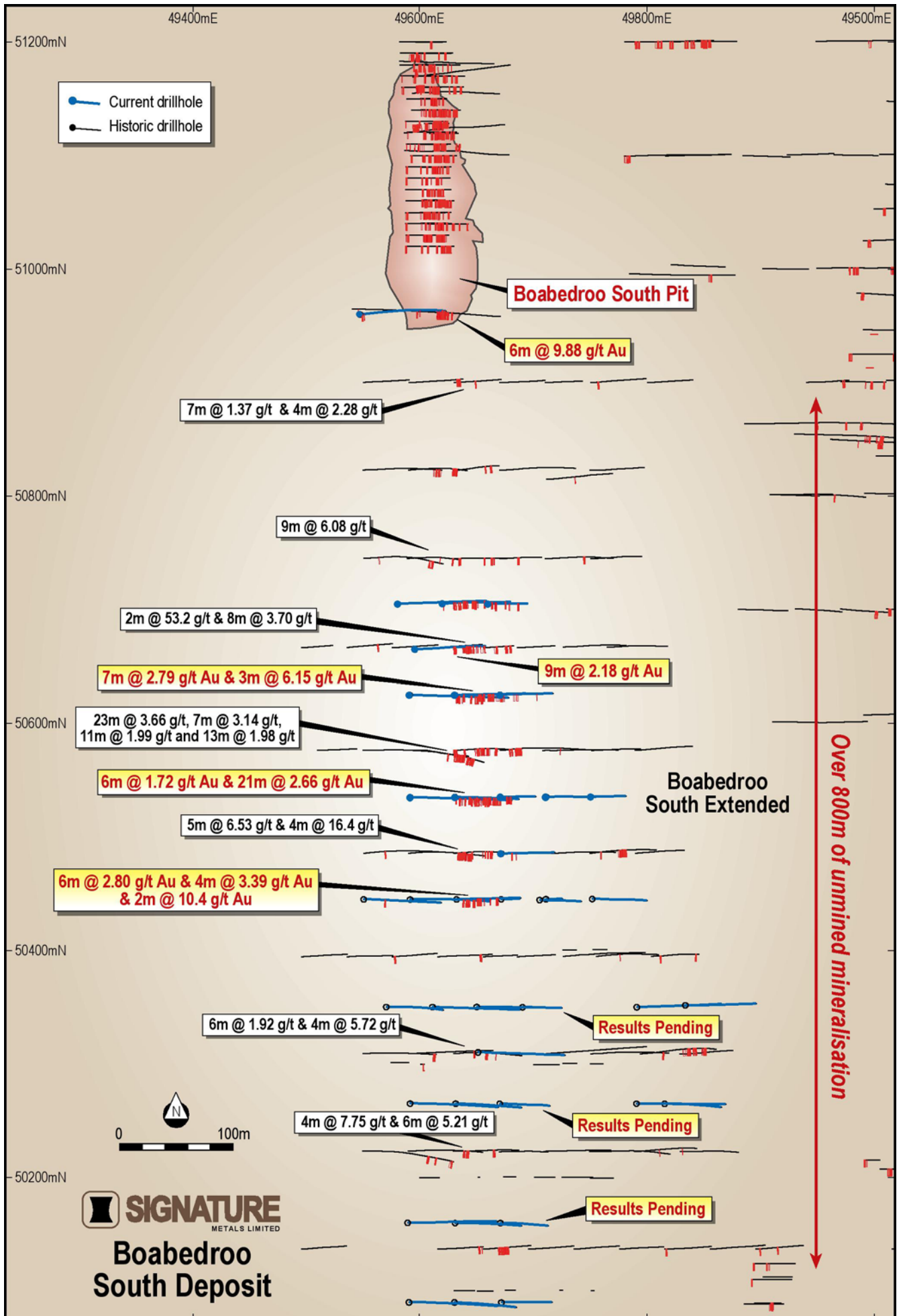
Bill Oliver
Managing Director
SIGNATURE METALS LIMITED

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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 over 1.27 million ounces (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 programmes progressing well, with over 15,000 metres of drilling completed and a substantial number of high grade results received.
- Mining designs and schedule being re-optimised to maximise operating margins.
- Onsite CIL plant being recommissioned at a fraction of the cost of purchasing a new/second hand plant. Lead time to commissioning envisaged to be 6 months.
- Environmental studies progressing rapidly, Environmental Impact Study to be submitted to the EPA this quarter.

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.

Figure 1. Plan showing recent and historical drilling at the Boabedro South deposit.



Hole Id	Project Grid		Total Depth	Dip/ Azimuth	Intercept			
	Easting	Northing			From	To	Interval	Grade Au g/t
KGRC0069	49671	50535	60	-60/135	0	1	1	1.25
					10	16	6	1.72
				<i>including</i>	11	14	3	2.58
KGRC0070	49630	50535	96	-60/135	33	34	1	1.03
					42	44	2	1.41
					47	68	21	2.66
				<i>including</i>	52	57	5	3.16
				<i>including</i>	66	68	2	6.72
KGRC0071	49591	50535	144	-60/135	76	78	2	4.39
				<i>including</i>	77	78	1	5.88
					80	81	1	1.28
					84	85	1	3.35
					92	93	1	1.77
					99	100	1	1.41
					102	103	1	1.21
					105	106	1	1.31
					115	116	1	1.01
KGRC0072	49671	50485	84	-60/135	19	20	1	3.94
					26	27	1	2.84
KGRC0076	49632	50445	96	-60/135	34	40	6	2.80
				<i>including</i>	38	39	1	7.96
					44	46	2	2.53
					54	55	1	1.92
					63	66	3	2.79
KGRC0077	49591	50445	138	-60/135	6	7	1	3.7
					15	19	4	3.39
				<i>including</i>	16	17	1	6.65
					24	26	2	10.4

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.

All intersections greater than 1m downhole with grade greater than 1g/t are reported and may include up to 2 metres internal waste. Samples are analysed by 50g Fire Assay method at internationally accredited laboratories in Ghana. QA/QC samples are inserted regularly by the Company including certified reference samples, blanks and duplicates and intersections are not reported unless results from these samples meet acceptable standards.

Table 2. 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	1.44	20,660	573,000	1.44	26,565
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
Old Tailings Dam				1,177,000	1.19	45,050	575,000	0.87	16,100	1,752,000	1.09	61,150
Total	0	0	0	8,804,500	2.01	568,235	10,814,000	2.03	704,395	19,618,500	2.02	1,272,630

The Mineral Resources presented in this table for the Obenemase, Boabedroo, Aserewa, Atunsu, Apan and Patuo Deposits, and the Old Konongo Tailings Dam, 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.