

SEPTEMBER 2008 QUARTERLY REPORT

ASX Release

Thursday 30 October 2008

**SIGNATURE METALS
LIMITED**

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Issued Capital:

417 million shares

ASX Symbol: SBL

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HIGHLIGHTS

- **Applications in Kenya continue through the licensing process, the Company is ready and prepared to commence exploration activities as soon as these tenements are granted.**
- **Further evidence that the Company's land holdings in Uganda are highly prospective for copper, gold and nickel.**
- **Appointment of Exploration Director**

During the quarter the Company has continued to compile data on its 100% owned exploration licenses and applications in Kenya and Uganda providing further encouragement that economic resources will be delineated within these projects. The Company continues to work on identifying new areas and new projects which may add to its portfolio of quality African resource projects and intends to aggressively pursue suitable opportunities to grow the Company.

KENYA

The Company's applications in Kenya have been approved by the Department of Mines and Geology. The approvals process in Kenya is similar to that in Australia and includes a period of gazetting and public comment. There have been a number of objections to the Company's applications and the Company's Project Manager is currently in Kenya meeting local government and tribal leaders to ensure that the approvals process continues smoothly.

As discussed last quarter, site investigations at the Company's **Taita-Taveta** license applications located in the south of Kenya highlighted extensive iron ore mineralisation and contain both alluvial / eluvial deposits and primary mineralisation derived from banded iron formations. The Company is continuing to design and tender geophysical surveys over the project area while awaiting grant of this license. Initial work programmes will focus on identifying the extent of the iron formations and alluvials.

The Company's **Archers Post** and **Siambu Hills** license applications located to the north of the capital Nairobi have only been investigated previously by government agencies. Regional scale stream sediment sampling revealed several nickel, copper, zinc and lead anomalies within the Company's leases. A review of the geological setting of these leases has provided the Company with further encouragement of the prospectivity of the area.

UGANDA

Field visits by the Department of Geological Survey and Mines of Uganda (DGSM) in areas surrounding the Company's 100% owned **Karamoja Project** have confirmed the presence of copper mineralisation in the north-eastern portion of Uganda. In particular copper, nickel, iron and manganese anomalies were reported in stream sediment and geochemical sampling in the district. While the DGSM's visit focussed on the alluvial deposits currently being worked in the area the presence of these anomalies supports the potential for larger, primary mineralisation in the basement. Negotiations are in progress to add further to the Company's land holding in the area. The Company continues to compile historical data related to copper / nickel mineralisation in the area and is awaiting release of updated geophysical data.

The area containing the Company's **Arua-Nebbi Project** is currently flooded due to heavy rains in the area preventing the Company from commencing site reconnaissance and first pass investigations. VanGold (TSX-V:VAN) completed its Phase 1 geochemical sampling and mapping programmes at its West Nile Project, adjacent to the Arua-Nebbi Project, in July this year and identified Kibalian-type metavolcanics and metasediments. In the adjacent Democratic Republic of Congo these rocks are host to the multi-million ounce deposits of the Kilo-Moto Goldfields and VanGold believes there may be a geological continuity of the Kilo-Moto Kibalian greenstone belt within Uganda. Given that VanGold recently increased its landholding in the area and has commenced its initial drilling campaign the Company is keen to commence its own geochemical and geological investigations as well as awaiting the release of the airborne geophysical survey conducted by the DGSM in the region.

The Company is awaiting release of geophysical data covering the **Kibaale Project** to allow further assessment of the uranium mineralisation which has been identified in the area. As previously announced, historical rock-chip and soil sampling returned anomalous uranium values and the Company is keen to use the radiometric data to rank these anomalies and assess their potential to contain economic concentrations of uranium.

The Company has received approaches from other parties interested in potential joint ventures in its Ugandan land holdings, which the Company will assess during the next quarter.

CORPORATE

On the 1 October 2008 Bill Oliver was appointed as Exploration Director. Mr Oliver brings a wealth of exploration and iron ore experience to the Company and will drive the Company's strategy of creating an African-focussed resources company.

Cash reserves at the end of the quarter totalled \$1.479 million

Matthew Wood
Chairman
SIGNATURE METALS LIMITED

The information in this report that relates to Mineral Resources and Exploration Results are based on information compiled by Mr Matthew Wood who is a Member of the Australian Institute of Mining and Metallurgy. Mr Wood is the Chairman of Signature Metals Limited. Mr Wood 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 Wood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Figure 1.
Project Locations

