

3 May 2013



Company Announcements Office
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

SALE OF UNMARKETABLE PARCELS - SECOND AND FINAL NOTICE

Signature Metals Limited ('the Company') wishes to advise that it has sent a second and final letter to shareholders of unmarketable parcels ('Minority Members') in the form annexed to this announcement.

As set out in the notice sent to affected shareholders dated 4 March 2013, the Company has entered into an agreement with LionGold Corp Limited ('LGC') to sell these shares. Pursuant to that agreement, LGC has agreed to acquire all of the shares held by Minority Members at a price per share that is equal to the higher of:

- (a) The minimum sale price in accordance with the Company's Constitution of **\$A0.0053**, being the simple average of the last sale prices of Signature shares quoted on ASX for each of the ten trading days prior to 1 March 2013, being the date the offer was received from LGC;
- (b) The simple average of the last sale prices of Signature shares quoted on ASX for each of the ten trading days prior to the day after the Closing Date (being 13 May 2013); or
- (c) The volume weighted average price of Signature shares over the ten trading days prior to the day after the Closing Date.

LGC will transfer the purchase price of the unmarketable parcels to Signature after the Closing Date, and Signature will then arrange for the proceeds of the sale to be distributed to Minority Members. All Minority Members whose shares are sold will receive the same sale price per share and any brokerage or handling fees related to the sale will be paid by the Company.

The Directors of Signature have accepted this offer from LGC in accordance with their power to sell the shares held by Minority Members under Signature's Constitution.

Under the agreement, LGC has the right to terminate the agreement and thereby withdraw the offer in certain circumstances including where:

- by purchasing the shares, LGC would acquire a relevant interest that is 3% more than the relevant interest held by LGC in the previous 6 months; or

- the total cost to LGC of the purchase is more than A\$300,000.00 or the price per share is higher than A\$0.01.

LGC currently holds 76.22% of the total number of Signature shares. If LGC acquires all of the shares which comprise the unmarketable parcels and it has not otherwise acquired any additional shares, LGC's interest in Signature would increase to 77.11%. LGC is able to acquire these shares without the Company seeking shareholder approval.

Shareholders wishing to retain their shares in the Company are required to return a Share Retention Form to the Company by **5.00pm** on **10 May 2013**.

Yours sincerely,



Peter Chen
Executive Director

3 May 2013



Dear Shareholder

SECOND AND FINAL NOTICE

Notice of proposed sale of unmarketable parcels of shares held in Signature Metals Limited pursuant to Rule 3 of the Company's constitution.

On 4 March 2013 Signature Metals Limited ('Signature' or 'the Company') sent you a notice as you hold a parcel of shares in the Company with a value of less than \$500 at 26 February 2013 ('Record Date'), being an unmarketable parcel of shares.

This is the second and final notice to members who held an unmarketable parcel of shares at the Record Date ('Minority Members') and who have not expressed their intention to retain their shares in the Company by returning a signed Share Retention Form.

The Company intends to sell all of the shares held by Minority Members at the Record Date, on 13 May 2013 ('Closing Date') or as soon thereafter as is practical, unless an affected Minority Member has given notice that they wish to retain their shareholding in the Company by **5.00pm on 10 May 2013**.

Our records show that you are the holder of shares in the Company which, at the Record Date, had a value of less than \$500 and therefore constituted an unmarketable parcel of shares. You have not returned a Share Retention Form indicating that you wished to retain your shareholding. If you do not take any action in response to this letter, your shares in the Company will be sold without any further notice.

As set out in the notice sent to you and dated 4 March 2013, the Company has entered into an agreement with LionGold Corp Limited ('LGC') to sell these shares. Pursuant to that agreement, LGC has agreed to acquire all of the shares held by Minority Members at a price per share that is equal to the higher of:

- (a) The minimum sale price in accordance with the Company's Constitution of **\$A0.0053**, being the simple average of the last sale prices of Signature shares quoted on ASX for each of the ten trading days prior to 1 March 2013, being the date the offer was received from LGC;
- (b) The simple average of the last sale prices of Signature shares quoted on ASX for each of the ten trading days prior to the day after the Closing Date; or
- (c) The volume weighted average price of Signature shares over the ten trading days prior to the day after the Closing Date.

LGC will transfer the purchase price of the unmarketable parcels to Signature after the Closing Date, and Signature will then arrange for the proceeds of the sale to be distributed to Minority Members. All Minority Members whose shares are sold will receive the same sale price per share and any brokerage or handling fees related to the sale will be paid by the Company.

The Directors of Signature have accepted this offer from LGC in accordance with their power to sell the shares held by Minority Members under Signature's Constitution.

Under the agreement, LGC has the right to terminate the agreement and thereby withdraw the offer in certain circumstances including where:

- by purchasing the shares, LGC would acquire a relevant interest that is 3% more than the relevant interest held by LGC in the previous 6 months; or
- the total cost to LGC of the purchase is more than A\$300,000.00 or the price per share is higher than A\$0.01.

LGC currently holds 76.22% of the total number of Signature shares. If LGC acquires all of the shares which comprise the unmarketable parcels and it has not otherwise acquired any additional shares, LGC's interest in Signature would increase to 77.11%. LGC is able to acquire these shares without the Company seeking shareholder approval.

If you wish to retain your shares

Your shares will not be sold if your holding is a marketable parcel (i.e. \$500 or more) on the Closing Date or if you return a validly signed Share Retention Form to the Company in accordance with the instructions contained in this notice.

If you do not wish to retain your shares, you do not need to do anything.

To retain your shares, you must complete the enclosed 'Share Retention Form' and return it in the enclosed self-addressed envelope so that it is received by the Company no later than **5.00pm (AEST) on 10 May 2013**. If your Share Retention Form is not received by that time, your shares will be sold without further notice to you.

Alternatively, if you increase your holding of shares in the Company so that on the Closing Date, your holding has a value of \$500 or more, the Company will not sell your shares.

Further information

Please read the information contained in the Company's notice to you on 4 March 2013. If you do not have this information, a copy of the announcement can be viewed on the Company's website at:

<http://www.signaturemetals.com.au/pdfs/SaleOfUnmarketableParcelsRevised04Mar13.pdf>

Other important information

If you have any general questions regarding the sale of unmarketable parcels of shares, please contact **1300 784 494**.

Neither Signature nor Computershare makes any recommendation or gives any advice to you regarding whether to retain your shares or permit them to be sold.

If you are in any doubt about the impact of this Notice, or if you require further information in relation to the possible taxation implications of your unmarketable parcel of shares, please consult your legal, financial or taxation adviser.

Yours sincerely



**Peter Chen
Executive Director**

Return your Form to the Company's share registry:

 **By Mail to the Company's share registry:**
Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 3001 Australia

For all enquiries:

 **Phone:**
(within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000

 **Web:**
www.investorcentre.com/contact

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SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Unmarketable Parcel Security Retention Form

 **Your form must be received by 5.00pm (AEST) Friday 10 May 2013**

This is an important document that requires your immediate attention. It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect. Use this form if you wish to retain your securities in Signature Metals Limited. If you have recently bought or sold securities your holding may differ from that shown. If you have already sold all your securities in Signature Metals Limited, do not complete or return this form.

If you have more than one holding on Signature Metals Limited's register and you do not sell your securities under the Unmarketable Parcel Security Retention Form, you should consider consolidating them. For further advice in this regard, contact Computershare Investor Services on the number above.

Step 2: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person in the box labelled 'Sole Director and Sole Company Secretary'. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone as 'Sole Director'. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held and delete title as applicable.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters or Administration must accompany this form.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →




View your securityholder information, 24 hours a day, 7 days a week:
www.investorcentre.com

- Review your securityholding
- Update your securityholding
- Supply your direct credit instructions

Your secure access information is:

SRN/HIN: I1234567890

 **PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

Unmarketable Parcel Security Retention Form



I 123456789

IND

STEP 1 Registration Name & Offer Details

Registration Name: MR JOHN SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

For your security keep your SRN/HIN confidential.

Change of address.
If incorrect, mark this box and make the correction in the space to the left.

Offer Details: Securities held
as at 26 February 2013:

1234567890

STEP 2 Signature of Securityholder(s) *This section must be completed.*

By signing and returning this form, I/we confirm that I/we understand that my/our securities will NOT be sold pursuant to the sale of unmarketable parcels.

Individual or Securityholder 1

Director

Securityholder 2

Director/Company Secretary

Securityholder 3

Sole Director and Sole Company Secretary

Contact Name _____

Contact Daytime Telephone _____ Date ____/____/____

Email Address _____

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email privacy@computershare.com.au