

ASX Release

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LIMITED**

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SIGNIFICANT MINERALISATION INTERSECTED ALONG ASHANTI SHEAR ZONE

Signature Metals Limited is very pleased to announce that it has received significant initial Aircore drilling results from the Kyekyewere Prospect at the Konongo Gold Project. The Kyekyewere Prospect is located along the Ashanti Shear Zone which hosts significant gold deposits elsewhere in Ghana. Results are shown on Figure 1 and include:

- **19 metres at 1.11 g/t gold from surface**
- **17 metres at 0.47 g/t gold from 21 metres**
- **14 metres at 0.47 g/t gold from 12 metres**
 - **including 6 metres at 0.92g/t gold**
- **10 metres at 0.46 g/t gold from 8 metres**
- **3 metres at 1.31 g/t gold from 4 metres**
- **1 metre at 3.84 g/t gold from 4 metres**
- **1 metre at 1.47 g/t gold from 8 metres**

Aircore drilling at the Kyekyewere Prospect provided a near-surface test of gold anomalies in historical soil sampling along a 3 kilometre section of the Ashanti Shear Zone (Figure 2). The Ashanti Shear Zone also hosts the Obuasi Deposit owned by AngloGold Ashanti (current resources approximately 30 million ounces of gold, past production of over 20 million ounces of gold) and the Prestea-Bogosu Deposits owned by Golden Star Resources (current resources approximately 6 million ounces of gold, past production of over 13 million ounces of gold).

The drill programme consisted of 99 holes for 3,949 metres with an average depth of 40 metres. All significant results are listed in Table 1. The majority of the significant intersections lie on or near the interpreted location of the Ashanti Shear Zone (Figure 1), demonstrating that this system is mineralised within the project area. Due to the wide spaced nature of the drilling (between 500 – 1000 metres) these results should be considered “first pass” and the Company is very encouraged at the tenor of results received, especially the number of intersections with widths over 5 metres.

Results from this drilling have identified key areas for follow up drilling, including infill drilling to provide a more comprehensive test of the system around the better results and drilling to test the strike extents of mineralisation. Mineralisation is currently open along strike to the south and north. Testing of other gold in soil anomalies along the interpreted location of the Ashanti Shear Zone (Figure 2) is also planned.

Mineralisation at the Kyekyewere Prospect is hosted within a graphitic metasediment package with quartz veins common. While no “bonanza” grade intersections were returned from this drill programme high grade quartz veins are characteristic of Obuasi-style deposits and the presence of quartz veining associated with mineralised intervals provides encouragement that there may be a vein-hosted component to mineralisation in this prospect. Evidence of shearing was noted in the logging of these drill holes confirming that the Ashanti Shear was intersected in the drill programme.

Despite the potential of this system to host significant mineralisation only limited work has been done to test the Ashanti Shear Zone within the Konongo Gold Project. The main mineralisation delineated to date, including the current JORC resources of 1.47 million ounces, are hosted on or adjacent to the Birimian –Tarkwaian contact which parallels the Ashanti Shear Zone (Figure 1).

Results are still awaited from aircore drilling at the Boabedroo West Prospect as well as from RC drilling at Kwakawkaw and Kyereben. The Company will release these as soon as they are received.

Bill Oliver
Managing Director
SIGNATURE METALS LIMITED

Figure 1. Plan showing drilling results from Kyekyewere on interpreted geology.

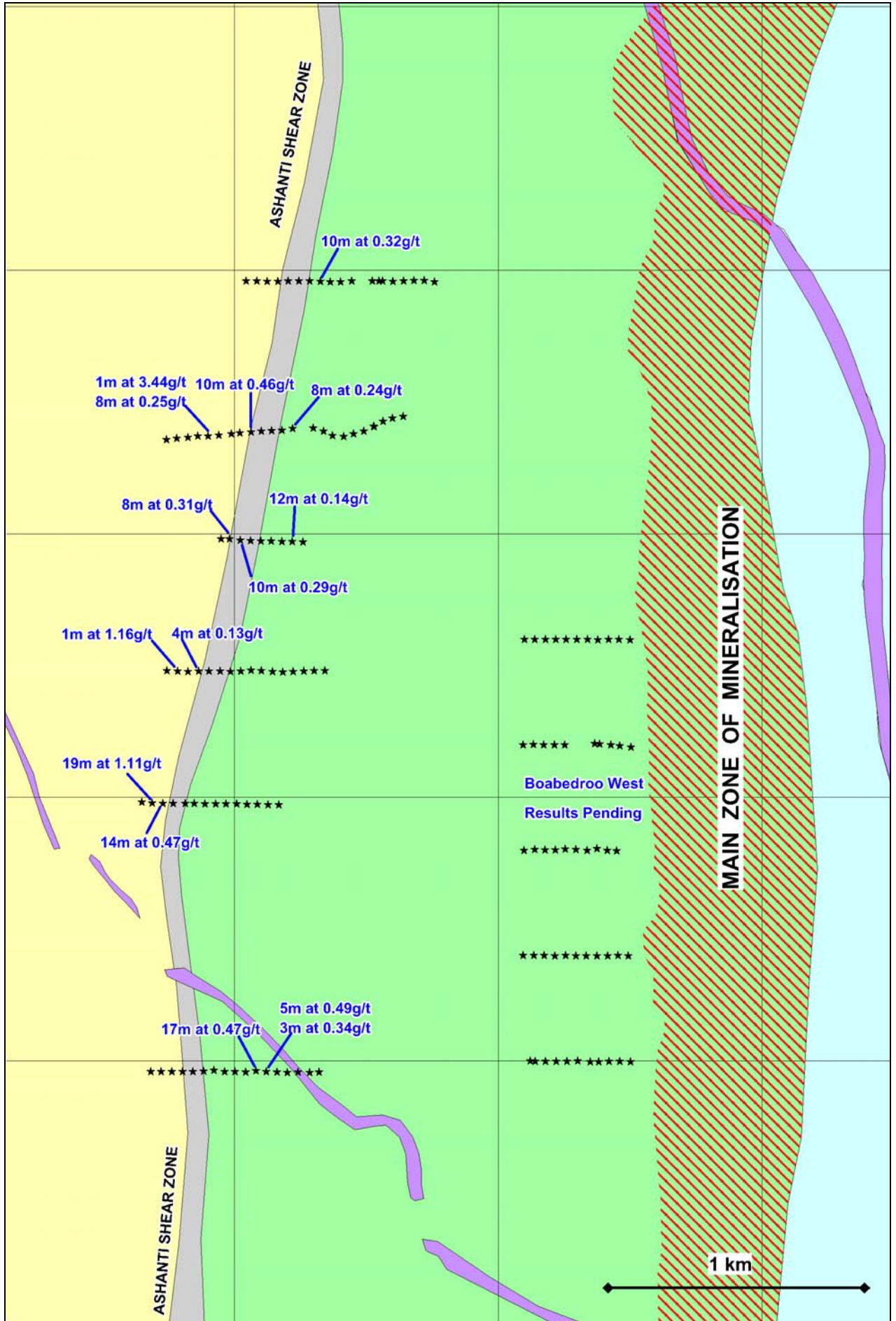


Figure 2. Plan showing results of soil geochemical surveys within the Konongo Gold Project and exploration prospects drilled to date.

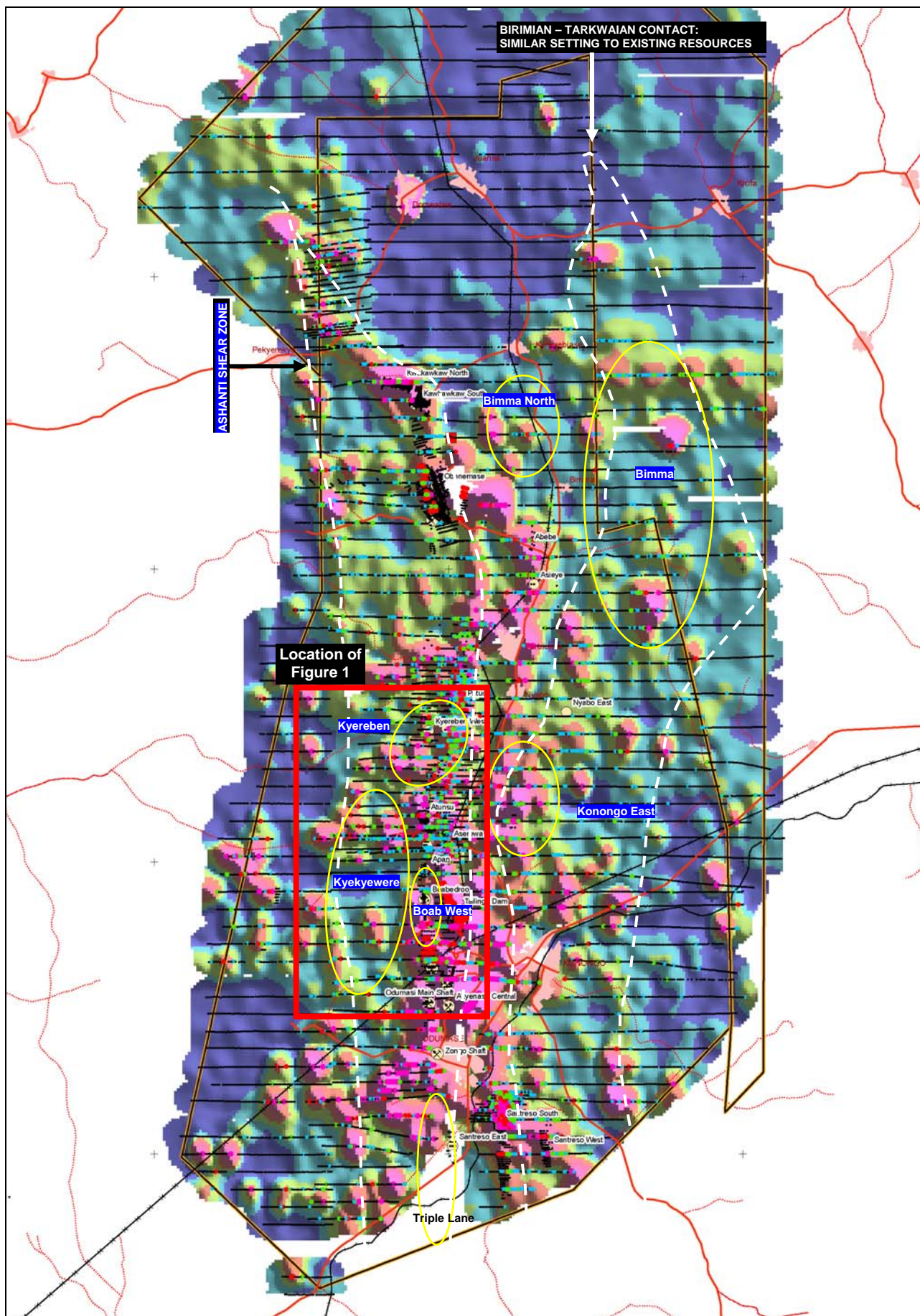


Table 1. Significant Aircore Intersections from Kyekyewere

Hole Id	Project Grid		Total Depth	Dip / Grid Azimuth	Intercept			
	Easting	Northing			From	To	Interval	Grade Au g/t
KGAC209	48325	52960	42	-60 / 90	6	16	10	0.32
KGAC213	48164	52960	48	-60 / 90	46	47	1	0.48
KGAC217	48529	52407	38	-60 / 90	8	9	1	1.47
KGAC218	48220	52401	38	-60 / 90	20	28	8	0.24
KGAC222	48062	52388	32	-60 / 90	8	18	10	0.46
KGAC224	47988	52380	32	-60 / 90	18	19	1	0.63
KGAC226	47900	52373	36	-60 / 90	4	7	3	1.31
				<i>including</i>	5	6	1	3.44
					12	13	1	0.66
					24	32	8	0.25
KGAC232	47982	51982	57	-60 / 90	49	57	8	0.31
					Mineralisation at end of hole			
KGAC233	48022	51977	47	-60 / 90	6	16	10	0.29
KGAC238	48220	51973	44	-60 / 90	5	6	1	0.20
					10	11	1	0.27
					15	16	1	0.20
KGAC240	47744	51480	47	-60 / 90	40	42	2	0.60
KGAC247	48024	51481	26	-60 / 90	10	12	2	0.38
KGAC267	47728	50979	51	-60 / 90	0	19	19	1.11
KGAC268	47688	50980	50	-60 / 90	12	26	14	0.47
				<i>including</i>	18	24	6	0.92
KGAC280	48081	49964	44	-60 / 90	21	38	17	0.47
KGAC281	48120	49960	45	-60 / 90	4	5	1	3.84
					11	16	5	0.49
					33	36	3	0.34

All intersections greater than 1m downhole with grade greater than 0.2g/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.

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 Australasian 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 'Australasian 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.

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				3,802,500	2.91	355,440	3,073,000	2.00	197,630	6,875,500	2.50	553,125
Asieye							1,500,000	0.80	38,580	1,500,000	0.80	38,580
Kwakawkaw							985,000	1.72	54,575	985,000	1.72	54,575
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				1,359,000	2.36	103,300	2,244,000	2.36	170,490	3,603,000	2.36	273,790
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	135,805	810,000	1.25	32,555	4,330,000	1.21	168,360
Santreso South							340,000	1.16	12,680	340,000	1.16	12,680
Santreso East							700,000	1.27	28,615	700,000	1.27	28,615
Old Tailings Dam				1,177,000	1.19	45,050	575,000	0.87	16,100	1,752,000	1.09	61,150
Southern Tails							275,000	1.56	13,795	275,000	1.56	13,795
Total	0	0	0	10,506,500	2.03	687,070	13,123,500	1.85	779,620	23,355,000	1.95	1,466,690

The Mineral Resources presented in this table for the Obenemase, Boabedroo, Aserewa, Atunsu, Apan and Patuo Deposits, as well as for the Old Konongo Tailings Dam is based on information compiled by Mr Peter Ball who is a Member of the Australasian 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 'Australasian 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. For tailings material all material is included in 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 Australasian 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 'Australasian 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.