



ABN 86 106 293 190

Friday 23 December 2011

The Manager
Australian Securities Exchange
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sir / Madam

TARGET'S STATEMENT

On 19 December 2011 LionGold Corp Ltd (LionGold) lodged its bidder's statement in relation to an off-market takeover offer for fully paid ordinary shares in Signature Metals Limited (ASX: SBL) (Signature). Enclosed, pursuant to item 14 of section 633(1) of the Corporations Act 2001 (Cth), is a copy of Signature's Target's Statement in relation to the LionGold offer. The Target's Statement has been lodged with the Australian Securities & Investments Commission and sent to LionGold.

Yours faithfully

Scott Funston
Company Secretary
SIGNATURE METALS LIMITED



(ABN 86 106 293 190)

Target's Statement

This Target's Statement has been issued in response to the off-market takeover bid made by LionGold Corp Ltd for all the issued ordinary shares in Signature Metals Limited.

The Directors of Signature Metals Limited unanimously recommend that you **ACCEPT the takeover offer from LionGold Corp Ltd (in the absence of a Superior Proposal)**

Legal Adviser

STEINPREIS PAGANIN 
Lawyers & Consultants

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

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IMPORTANT NOTICES

Nature of this document

This document is a Target's Statement issued by Signature Metals Limited (ABN 86 106 293 190) (**Signature**) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover bid made by LionGold Corp Ltd (**LionGold**), a company incorporated in Bermuda and listed on the Singapore Exchange, for all the ordinary Shares in Signature.

This Target's Statement is dated 23 December 2011 and was lodged with the ASIC and given to ASX on that date. Neither ASIC nor ASX nor any of their respective officers take any responsibility for the contents of this Target's Statement.

KEY DATES

Date of this Target's Statement	23 December 2011
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Date of LionGold's Offer	19 December 2011
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Close of LionGold's Offer Period (unless extended or withdrawn)	17 February 2012
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SIGNATURE SHAREHOLDER INFORMATION

Signature has established a Shareholder information line which Signature Shareholders may call if they have any queries in relation to LionGold's Offer. The telephone number for the Shareholder information line is (08) 9481 0101 (for calls made from within Australia) or (+61 8) 9481 0101 (for calls made from outside Australia). Calls to the Shareholder information line may be recorded.

Further information relating to LionGold's Offer can be obtained from Signature's website at www.signaturemetals.com.au.

Defined terms

A number of defined terms are used in this Target's Statement. These terms are explained in Section 9 of this Target's Statement. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Target's Statement and defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

No account of personal circumstances

This Target's Statement does not take into account your individual objectives, financial situation or particular needs. It does not contain personal advice. Your Directors encourage you to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Disclaimer as to forward looking statements

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. You should be aware that such statements are only

predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Signature operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. None of Signature, Signature's officers and employees, any persons named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Disclaimer as to information

The information on LionGold's securities contained in this Target's Statement has been prepared by Signature using publicly available information. The information in the Target's Statement concerning LionGold and Signature's assets and liabilities, financial position and performance, profits and losses and prospects, has not been independently verified by Signature. Accordingly Signature does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia and New Zealand may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian and New Zealand law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside of Australia and New Zealand.

Foreign currency

Unless otherwise indicated, the exchange rate used in this Target's Statement for the conversion of SGD\$ to A\$ is SGD\$1.3008:A\$1.00 being the exchange rate on the date of the Offer, being 19 December 2011.

Maps and diagrams

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date of this Target's Statement.

Privacy

Signature has collected your information from the Signature register of Signature Shareholders and Signature Optionholders for the purpose of providing you with this Target's Statement. The type of information Signature has collected about you includes your name, contact details and information on your shareholding or option holding (as applicable) in Signature. Without this information, Signature would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and

address of Signature Shareholders and Signature Optionholders to be held in a public register. Your information may be disclosed on a confidential basis to Signature's related bodies corporate and external service providers (such as the share registry of Signature and print and mail service providers) and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Signature, please contact the Shareholder information line.

JORC Code reporting of Signature's exploration results and mineral resources

The information in this Target's Statement that relates to Exploration Results, Mineral Resources and is based on information compiled by Mr Bill Oliver, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Oliver is a full time employee of Signature, as its Managing Director. Mr Oliver 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 consents to the inclusion in the Target's Statement of the matters based on his information in the form and context in which it appears.



23 December 2011

Dear Shareholders (and, for information purposes only, persons holding options in Signature)

Takeover bid by LionGold Corp Ltd

On 14 October 2011, Signature announced it had entered into a Bid Implementation Deed with LionGold pursuant to which LionGold would make offers for all the issued and outstanding shares in Signature (**Offer**).

LionGold is listed on the Singapore Exchange. LionGold is an investment holding company having interests in manufacturing, engineering, contracting procurement and construction of biomass power plants and gold projects located in Mali and Ghana.

Under LionGold's Offer, Signature Shareholders are being offered on the basis of one (1) LionGold Share for every thirty four Signature Shares. The offer price, based on a LionGold Share price of SGD\$0.845 at the prevailing foreign exchange rate on the last trading day before the date of the Bidder's Statement (being 16 December 2011), represents a premium of:

- (a) 27% to the closing price of 1.5 cents per Signature Share on ASX on the last trading day (16 December 2011) before the date of the Bidder's Statement; and
- (b) 31% to the 90 day volume weighted average price of 1.46 cents per Signature share on the ASX on the last trading day (16 December 2011) before the date of the Bidder's Statement.

As at the date of this Target's Statement, LionGold has a relevant interest in 17.68% of the Signature Shares currently on issue as a result of pre-bid agreements entered into with key Signature Shareholders, including Directors (and their associates) of Signature.

Your Directors unanimously recommend that you ACCEPT LionGold's Offer and intend to accept LionGold's Offer for their own Signature Shares, in the absence of a Superior Proposal.

LionGold's Bidder's Statement sets out the detailed terms of LionGold's Offer. A copy of the Bidder's Statement is available from the website of the ASX at www.asx.com.au.

Your Directors' formal response to LionGold's Offer is set out in this Target's Statement, including the reasons why we unanimously recommend that you accept LionGold's Offer, in the absence of a Superior Proposal.

Our recommendation is based on the following points:

- (a) The Offer is priced at a significant premium to recent market prices for Signature Shares.
- (b) Signature Shareholders have the opportunity to participate in a larger, more diversified and better funded company listed on the Singapore Exchange.

LionGold has greater financial capacity to fund future growth and accelerate the continued development of Signature's Ghanian projects.

- (c) Signature Shareholders are likely to incur greater dilution from raising funds in the equity market than under the LionGold Offer.
- (d) The trading price of Signature Shares may fall if LionGold's Offer does not succeed.
- (e) As at the date of this Target's Statement, LionGold's Offer is the only offer available for your Signature Shares.

Accepting the Offer and next steps

The Offer Period is scheduled to close at 5:00 pm (Perth time) on 17 February 2012 (unless extended).

To accept the Offer, simply follow the instructions outlined in section 2.7 of the Bidder's Statement and printed on the acceptance form. To be valid, your acceptance must be received before the close of the Offer Period.

In considering whether to accept the Offer, the Signature Directors encourage you to:

- (a) read the whole of this Target's Statement and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- (c) carefully consider Section 4 of this Target's Statement, including the risks of becoming a minority Signature Shareholder;
- (d) consider the choices available to you as outlined in Section 6 of this Target's Statement; and
- (e) obtain personal advice from your broker, financial adviser, accountant, lawyer or other professional adviser on the effect of accepting the Offer.

Further information

Signature will keep Signature Shareholders informed of any material developments in relation to the Offer through releases to the ASX (which will also be published on Signature's website).

I encourage you to read this document carefully and if you need any more information I recommend that you seek professional advice or call **Signature's Shareholder information line** on (08) 9481 0101 (for calls made from within Australia) or (+61 8) 9481 0101 (for calls made from outside Australia) between 9.00 am and 5.00 pm Monday to Friday (WST).

Yours sincerely

Mr Matthew Wood
Chairman

1. FREQUENTLY ASKED QUESTIONS

This Section answers some commonly asked questions about the Offer. It is not intended to address all relevant issues for Signature Shareholders. This Section should be read together with all other parts of this Target's Statement.

Question

Answer

Who is the Bidder and what is the Bidder's Statement?

The Bidder is LionGold Corp Ltd (**LionGold**).

Information about LionGold can be obtained from section 3 of the Bidder's Statement, on LionGold's website www.liongoldcorp.com or by calling the LionGold Offer Information Line on 1300 368 402 (for callers within Australia) or (+61 3) 9415 4061 (for callers outside Australia).

The Bidder's Statement contains information on the Offer that the Bidder has made for your Signature Shares. The law requires the Bidder to send the Bidder's Statement to you.

What is a Target's Statement?

This document comprises a Target's Statement. Signature is required, by law, to produce the Target's Statement in response to the Offer. The Target's Statement contains information to help you decide whether to accept or reject the Offer for your Signature Shares.

What is LionGold's Offer for my Signature Shares?

LionGold is offering you one (1) LionGold Share for every thirty four Signature Shares held on the terms and conditions set out in Section 6 of this Target's Statement.

Question**Answer**

What choices do I have as a Signature Shareholder?

As a Signature Shareholder, you have the following choices in respect of your Signature Shares:

- (a) accept the Offer
- (b) sell your Signature Shares on the ASX (unless you have previously accepted the Offer and you have not validly withdrawn your acceptance); or
- (c) do nothing.

There are several implications in relation to each of the above choices. A summary of these implications is set out in Section 5 of this Target's Statement.

What are the Directors of Signature recommending?

Each Signature Director recommends that you accept the Offer (in the absence of a Superior Proposal). A summary of these recommendations are set out in Section 3 of this Target's Statement.

What do the Directors of Signature intend to do with any Signature Shares that they hold?

Each Signature Director has advised that they will accept the Offer in respect of any Signature Shares that they, or their associates, own or control (whether they be held directly or through an entity they control), in the absence of a Superior Proposal.

How many Signature Shares does LionGold already own?

As at the date immediately before this Target's Statement, LionGold has a relevant interest in 17.68% of the Signature Shares currently on issue as a result of pre-bid agreements entered into with key Signature Shareholders.

How do I accept the Offer?

Details of how to accept the Offer are set out in section 2.7 of the Bidder's Statement.

Question**Answer**

What are the consequences of accepting the Offer now?

If you accept the Offer, unless withdrawal rights are available (see below), you will give up your right to sell your Signature Shares on the ASX or otherwise deal with your Signature Shares while the Offer remains open.

The effect of acceptance is set out in section 9.7 of the Bidder's Statement. Signature Shareholders should read this Section in full to understand the effect that acceptance will have on their ability to exercise rights attaching to their Signature Shares and the representations and warranties they give by accepting the Offer.

If I accept the Offer, can I withdraw my acceptance?

You may only withdraw your acceptance if LionGold varies the Offer in a way that postpones the time when LionGold is required to satisfy its obligations by more than one month.

(See Section 6.8 of this Target's Statement for further details.)

Can I accept the Offer for only some of my Shares?

Unless you hold the Shares as trustee or nominee for, or otherwise on account of, more than one person, you can accept the Offer only in respect of all of your Signature Shares. See section 9.1 of the Bidder's Statement for more information on who can accept the Offer.

When does the Offer close?

The Offer is presently scheduled to close at 5.00pm WST on 17 February 2012, but the Offer Period can be extended in certain circumstances.

See Section 6.5 of this Target's Statement for details of the circumstances in which the Offer Period can be extended.

Question**Answer**

Can the Offer Period be extended?

Yes. While the Offer is subject to the Offer Conditions, LionGold may extend the Offer Period at any time before giving the Notice of Status of Conditions and otherwise only in limited circumstances. However, if the Offer is unconditional (that is all of the other Offer Conditions are fulfilled or waived), LionGold may extend the Offer Period at any time before the end of the Offer Period. In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period, LionGold improves the consideration offered under the Offer. If this occurs, the Offer Period is automatically extended so that it ends 14 days after the consideration is improved.

What are the conditions to the Offer?

LionGold's Offer is subject to a number of conditions. Those conditions are set out in section 9.3 of the Bidder's Statement.

(See Section 6.2 of this Target's Statement and section 9.3 of the Bidder's Statement for further details).

What happens if the conditions of the Offer are not satisfied or waived?

If the conditions are not satisfied or waived before the Offer closes, the Offer will lapse. You would then be free to deal with Signature Shares even if you had accepted the Offer.

Can LionGold withdraw the Offer?

LionGold cannot withdraw the Offer if you have already accepted it. Before you accept the Offer, LionGold may withdraw the Offer with the written consent of ASIC and subject to conditions (if any) specified in such consent.

When will I receive my LionGold Shares if I accept the Offer?

Please refer to Section 6.9 of this Target's Statement for further details on when you will be sent your LionGold Shares.

What happens if LionGold

If LionGold improves the consideration

Question**Answer**

improves the consideration under its Offer?

offered under its Offer (as referred to in Section 7.1 of this Target's Statement), all Signature Shareholders who have accepted the Offer will be entitled to the benefit of that improved consideration (whether they accepted the Offer before or after the consideration is improved).

What are the tax implications of accepting the Offer?

A general outline of the tax implications of accepting the Offer is set out in section 10 of the Bidder's Statement.

As the outline is a general outline only, you are encouraged to seek your own specific professional advice as to the taxation implications applicable to your circumstances.

Can I participate in the Offer in respect of my Signature Options?

The Offer does not extend to Signature Options, however if you exercise your Signature Options during the Offer Period you can accept the Offer in respect of the Signature Shares you are issued on exercise of the Signature Options.

Do I have to pay any fees?

You will not pay duty on the disposal of your Signature Shares if you accept the Offer.

If your Signature Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to LionGold, you will not incur any brokerage in connection with your acceptance of the Offer.

If your Signature Shares are registered in a CHES Holding, or if you are a beneficial owner whose Signature Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your controlling participant (usually your stockbroker) or the relevant nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

2. WHY YOU SHOULD ACCEPT THE OFFER

2.1 Introduction

The consideration being offered by LionGold under the Offer is one (1) LionGold for every thirty four Signature Shares. The Offer is subject to a number of conditions. Those conditions are summarised in Section 6.2 of this Target's Statement and section 9.3 of the Bidder's Statement.

In summary, the key reasons why the Directors of Signature have recommended Signature Shareholders accept the Offer, in the absence of a Superior Proposal, are:

-
1. The LionGold Offer has the unanimous recommendation of the Signature Directors.

 2. The Offer is priced at a significant premium to recent market prices for Signature Shares.

 3. Signature Shareholders have the opportunity to participate in a larger, more diversified and better funded company listed on the Singapore Exchange, with greater financial capacity to fund future growth to accelerate the continued development of Signature's Ghanian projects and pursue other prospect opportunities.

 4. Signature Shareholders are likely to incur greater dilution from raising funds in the equity market, than under the LionGold Offer.

 5. The trading price of Signature Shares may fall if LionGold's Offer does not succeed.

 6. At the date of this Target's Statement, LionGold's Offer is the only offer available for your Signature Shares.

2.2 Unanimous recommendation of the Signature Directors

The Signature Directors have considered the advantages and disadvantages of the LionGold Offer and unanimously recommend that, in the absence of a Superior Proposal, Signature Shareholders accept the LionGold Offer. Each of the Signature Directors intends to accept the LionGold Offer, in the absence of a Superior Proposal, in relation to the Signature Shares held or controlled by them.

The proposed merger of LionGold and Signature was publicly announced to the market on 14 October 2011. At the date of this Target's Statement, no alternative Superior Proposal has emerged.

2.3 The Offer Price represents a significant premium to the recent trading prices of Signature Shares

The implied offer price of represents a premium of:

- (a) 27% to the closing price of 1.5 cents per Signature Share on ASX on the last trading day (16 December 2011) before the date of the Bidder's Statement; and
- (b) 31% to the 90 day volume weighted average price of 1.46 cents per Signature Share on ASX on the last trading day (16 December 2011) before the date of the Bidder's Statement.

2.4 Access to financial resources

If LionGold acquires all of the Signature Securities following completion of the LionGold Offer, it is expected that the combined entity will be far better funded than Signature on a standalone basis.

The principal alternative option to the LionGold Offer considered by the Signature Directors was to remain a standalone entity and seek to raise additional equity to progress its Ghanaian projects. The Signature Directors consider that the ownership dilution that would result from either a single large capital raising or a continual series of smaller progressive capital raisings would result in significant dilution to existing Signature Shareholders.

The Signature Directors believe that LionGold's listing on SGX provides greater potential access to Asian capital markets. Signature Directors believe the LionGold Offer will enable Signature Shareholders to more easily realise the value for their Shares given the higher liquidity of LionGold Shares on SGX when compared to Signature Shares on ASX.

The Signature Directors believe that a successful merger will enhance the development potential of its Ghanaian projects and result in operational and management synergies. Signature's Ghanaian projects are at a critical phase of development, needing ongoing development capital and technical expertise.

Furthermore, it is expected that the combined entity may benefit from access to additional mining project opportunities (across a range of commodities and markets).

2.5 Possible decrease in Signature Share price

The Directors consider that the Signature Share price might fall in the absence of the Offer or in the absence of another equivalent or Superior Proposal for the following reasons:

- (a) in the one month up to and including the pre-announcement trading date, Signature Shares traded on ASX at a volume weighted average price of 1.37 cents; and
- (b) Signature will need to raise additional equity in the short term and this may result in a downward pressure on the price of Signature Shares.

Although the Signature Directors consider there is a real risk the Share price may fall if the Offer is not successful, the Signature Directors cannot predict the

magnitude of any potential fall and note that the Signature Share price is influenced by a range of company-specific and general market related factors.

2.6 Other matters

If you choose not to accept the LionGold Offer made to you, there are potential consequences of which you should be aware:

- (a) If the LionGold offer does not proceed to completion, then Signature will need to raise additional equity funding for the development of its Ghanaian projects and for on-going corporate, operational and working capital purposes, potentially during the first quarter of 2012. Depending on the pricing, form of any equity raising and general market conditions, this may have materially dilutive effects for existing Signature Shareholders. There is no guarantee that Signature will be successful in raising the required and necessary ongoing working capital.
- (b) If the LionGold Offer does not proceed to completion, then Signature will bear the transaction costs incurred by it in pursuing the transaction contemplated by the LionGold Offer.

The Signature Directors encourage you to read this Target's Statement and the Bidder's Statement in their entirety and seek appropriate advice from your broker, financial advisor or other professional advisor, having regard to your individual risk profile, portfolio strategy, tax considerations and financial circumstances.

2.7 No Superior Proposal for Signature has emerged

Your Signature Directors consider the Offer to be the best proposal available to Signature Shareholders and unanimously recommend that Signature Shareholders accept the Offer, in the absence of a Superior Proposal.

As at the date of this Target's Statement, no Competing Proposal or Superior Proposal had been received by the Signature Board.

2.8 Risks in relation to the Offer

2.8.1 Signature Share Price

It is possible that if the Offer lapses, there may be a reduction in the market price of Signature Shares.

2.8.2 Minority Ownership Consequences

The LionGold Offer contains no minimum acceptance condition.

If LionGold acquires more than 50%, but less than 90% of Signature, those Signature Shareholders who do not accept the Offer may become minority shareholders in Signature. In such a situation:

- (a) Signature's stock market liquidity may be reduced, making it harder for you to dispose of your Signature Shares in the future;
- (b) LionGold will be able to cast the majority of votes at a general meeting of Signature, enabling LionGold to control the Board of Directors of Signature;

- (c) the magnitude of LionGold's shareholding will be such that a third party would not be able to successfully make a takeover bid for Signature Shares without the support of LionGold. This means it is less likely that Signature's Share price in the future will reflect a control premium;
- (d) Signature Shareholders (other than LionGold) will hold a reduced percentage of the Shares of Signature; and
- (e) if LionGold acquires more than 50% but less than 80% of Signature, you will not be eligible for capital gains tax rollover relief in respect of the Offer, which means you could incur a significant capital gains tax liability if you accept the Offer.

2.8.3 Risks in relation to LionGold Shares

If the terms of the Offer are accepted by Signature Shareholders, then Signature Shareholders will receive the Offer consideration in the form of LionGold Shares. The value of the Offer to those Signature Shareholders will therefore depend upon the future value of LionGold Shares. The future value of LionGold Shares will itself depend on the future performance of the combined entity, as appropriate. Signature Shareholders should therefore consider the risks which may affect future performance.

The risks which are known to LionGold and which may have a material adverse impact on the future performance, as applicable, are described in section 8 of the Bidder's Statement.

3. DIRECTORS' RECOMMENDATION

3.1 Directors of Signature

As at the date of this Target's Statement, the Directors of Signature are:

Name	Position
Mr Richard Chan	Non Executive Director
Mr Bill Oliver	Managing Director
Mr Matthew Wood	Non Executive Chairman
Ms Su-Yin Quah	Non Executive Director

3.2 Directors' recommendations

After taking into account each of the matters in this Target's Statement and the Bidder's Statement, each of your Directors recommend that you accept the Offer (in the absence of a Superior Proposal).

In considering whether to accept the Offer, your Directors encourage you to:

- (a) read the whole of this Target's Statement and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- (c) consider the alternatives noted in Section 4.8 of this Target's Statement; and
- (d) obtain financial advice from your broker or financial adviser upon the Offer and obtain taxation advice on the effect of accepting the Offer.

3.3 Your Directors' reasons for their recommendation

A summary of the reasons for your Directors' recommendation is set out in Section 2.1 of this Target's Statement.

3.4 Intentions of your Directors in relation to the Offer

Each Director of Signature has advised that they will accept the Offer in respect of any Signature Shares that they, or their associates, own or control (whether they are held directly or through an entity they control) in the absence of a Superior Proposal.

Details of the previously announced direct and indirect holdings of each Signature Director in Signature Shares are set out in Section 7.1 of this Target's Statement.

3.5 No brokerage payable

Signature Shareholders will not be required to pay brokerage or any other costs in relation to the sale of their Signature Shares under the Offer, however if your Signature Shares are registered in a CHESS Holding, or if you are the beneficial owner whose Signature Shares are registered in the name of a broker, bank, custodian, or other nominee, you should ask your controlling participant (usually your broker) or nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.

4. IMPORTANT MATTERS FOR SIGNATURE SHAREHOLDERS TO CONSIDER

4.1 LionGold's Offer

LionGold announced its intention to make its takeover bid for Signature on 14 October 2011. On 14 October 2011, LionGold made a separate announcement clarifying the terms of the Offer. Copies of the announcements by LionGold are contained in Annexure B. A summary of the Offer is contained in Section 6 of this Target's Statement.

LionGold's Offer is open for acceptance until 5.00pm WST on 17 February 2012, unless it is extended or withdrawn (Sections 6.5 and 6.6 of this Target's Statement describe the circumstances in which LionGold can extend or withdraw its Offer).

4.2 Background information on Signature

Signature Metals Limited (ASX code: SBL) is an Australian based minerals exploration company with activities in Ghana, Uganda and Kenya.

Signature owns a 70% stake in the multi million ounce Konongo Gold Project located in the world class Ashanti Gold Belt of Ghana. Signature also controls large exploration licences and applications in Kenya and Uganda that are prospective for iron ore, nickel and copper.

The Konongo Gold Project is situated in the Ashanti Gold Belt, which hosts the world class Obuasi Gold Deposit, operated by AngloGold Ashanti Limited, and the Prestea/Bogosu deposits which are currently being mined by Golden Star Resources Limited. Obuasi is located approximately 50 kilometres from the Konongo Project and contains resources of 33 million ounces of gold and past production exceeding 22 million ounces of gold. The Prestea/Bogosu deposits have current resources of six million ounces of gold and have historically produced approximately 11 million ounces of gold. Both the Obuasi and Prestea/Bogosu deposits are similar in terms of geological setting and mineralisation styles to the deposits found within the Konongo Gold Project.

Gold was discovered on the Konongo Gold Project at the Obenemase Deposit in 1903. Between discovery and 1997 approximately 4.4 million tonnes of ore were treated from the project for approximately 1.6 million ounces of gold at a recovered grade of 11.8 grams per tonne gold.

4.3 Current business activities of Signature

Ghana - Konongo Gold Project (70%)

Signature's main project is the Konongo Gold Project in Ghana, which contains 16 known gold deposits along 12 kilometres of strike of the world class Ashanti Gold Belt. The project currently contains approximately 1.47 million ounces of gold in JORC Code compliant resources (23.4 million tonnes at 1.95 grams per tonne gold in the Indicated and Inferred categories). Considerable infrastructure remains on site including a 350,000 tonne per annum Carbon-In-Leach processing plant as well as access to power, water and sealed roads.

Kenya

Signature has applied for a number of licences in Kenya, totalling close to 2,500 square kilometres. These licences are highly prospective for iron ore and nickel.

Signature is working towards the granting of these licences and will immediately commence exploration activities at such time.

Uganda

Signature owns leases in the Karamoja and Arua-Nebbi areas in Uganda. The Karamoja Project (920 square kilometres), is located in the North East of Uganda, near the border with Kenya and the Company believes there is considerable potential, based on historical data on mineral occurrences in the area to host nickel and copper mineralisation. Signature also owns leases in the Arua-Nebbi area in north-west Uganda which may host greenstone formations similar to the adjacent Kilo Moto Gold Belt in the Democratic Republic of Congo. Only limited geological investigations have been carried out in this area.

4.4 Financial Information

The unaudited Statement of Financial Position as at 30 November 2011 shown below have been prepared on the basis of the accounting policies normally adopted by the Company in its 30 June 2011 Annual Report.

The unaudited Statement of Financial Position has been prepared to provide Shareholders with information on the assets and liabilities of the Company.

Consolidated Statement of Financial Position as at 30 November 2011

	Unaudited
	As at 30 November 2011
Current Assets	
Cash	2,867,150
Receivables	2,033,169
Inventory	2,226,794
	7,127,113
Non-Current Assets	
Plant & equipment	9,878,336
Exploration & development expenditure	23,381,502
	33,259,838
TOTAL ASSETS	40,386,951
Current Liabilities	
Creditors & borrowings	3,513,113
Provisions	193,475
	3,706,588
Non-Current Liabilities	
Other payables	1,602,319
TOTAL LIABILITIES	5,308,907
NET ASSETS	35,078,044
Share Capital	59,639,570
Reserves	447,722
Retained Losses	(25,646,360)
Non controlling Interests	637,112
TOTAL SHAREHOLDER EQUITY	35,078,044

4.5 Publicly available information about Signature

Signature is a listed disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Signature is subject to the listing rules of ASX which require continuous disclosure of any information Signature has that a reasonable person would expect to have a material effect on the price or value of its securities.

Copies of ASX announcements made by Signature are available on ASX's website at www.asx.com.au.

4.6 Information about LionGold

Sections 3, 4, 5, 6 and 8 of the Bidder's Statement contains further information regarding LionGold, including financial information and risk factors.

For further information about LionGold, please visit its website at www.liongoldcorp.com.

4.7 Dividend issues for Signature Shareholders

Signature has never paid a dividend and the Board does not expect this to change in the short to medium term.

4.8 Other alternatives to the Offer

The Board is not aware of any alternatives to the Offer in order to maximise value for Signature Shareholders.

At this stage, the Board is not in a position to provide Shareholders with information in relation to the probability of an alternative transaction arising but will keep Shareholders informed of any material developments.

As at the date of this Target's Statement, no Competing Proposal or Superior Proposal had been received by the Signature Board.

4.9 Signature Share price absent the Offer

While there are many factors that influence the market price of Signature Shares, your Directors anticipate that, following the close of the Offer, if suspension of Signature's securities from quotation on the ASX market is lifted the market price of Signature Shares may fall if LionGold's Offer fails or if the takeover is otherwise unsuccessful.

4.10 Taxation consequences of a change in control in Signature

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations of accepting the Offer are set out in section 10 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances.

4.11 Treatment of overseas Shareholders

If LionGold determines that it cannot make the Offer to any Signature Shareholder whose address (as recorded in the register of members of Signature provided by Signature to LionGold) is in a place outside Australia or New Zealand or a jurisdiction into which LionGold determines it can legally and practically make the Offer, that Signature Shareholder will not be issued with LionGold Shares under the Offer.

Instead, the relevant LionGold Shares (that would otherwise be transferred to such foreign holders) will be allotted to a nominee approved by ASIC who will sell the LionGold Shares and will distribute to each of those foreign holders their proportion of the proceeds of sale, net of expenses.

4.12 Treatment of unmarketable parcels

See section 2.1 of the Bidder's Statement for further details regarding unmarketable parcels. Fractional entitlements will be rounded up to the nearest whole number (or such other denomination as approved by SGX). This means that even if you hold less than 34 Signature Shares and you accept the Offer, you will still receive one (1) LionGold Share (or such other denomination as approved by SGX).

5. YOUR CHOICES AS AN SIGNATURE SHAREHOLDER

Your Directors recommend that you accept the Offer (in the absence of a Superior Proposal).

However, as a Signature Shareholder you have three choices currently available to you:

(a) **Accept the Offer**

Signature Shareholders may elect to accept the Offer. Details of the consideration that will be received by Signature Shareholders who accept the Offer are set out in Section 6.1 of this Target's Statement and in the Bidder's Statement.

The Bidder's Statement contains details of how to accept the Offer in section 2.7.

(b) **Do not accept the Offer**

Shareholders who do not wish to accept the Offer should do nothing.

Shareholders should note that if LionGold and its associates have a relevant interest in at least 90% of the Signature Shares during or at the end of the Offer Period, LionGold will be entitled to compulsorily acquire the Signature Shares that it does not already own (See Section 6.12 of this Target's Statement for further details).

If LionGold acquires more than 50% but less than 90% of the Signature Shares then, assuming all other conditions to the Offer are fulfilled or waived, LionGold will acquire a majority shareholding in Signature. Accordingly, Shareholders who do not accept the Offer will become minority Shareholders in Signature.

(c) **Sell your Signature Shares on market**

During a takeover, shareholders of a target company who have not already accepted the bidder's offer can still sell their shares on market for cash.

The latest price for Signature Shares and LionGold Shares may be obtained from the ASX website asx.com.au and sgx.com respectively.

Shareholders who sell their Signature Shares on market may be liable for capital gains tax on the sale and may incur a brokerage charge.

Signature Shareholders who wish to sell their Signature Shares on market should contact their broker for information on how to effect that sale.

6. KEY FEATURES OF LIONGOLD'S OFFER

6.1 Consideration payable to Shareholders who accept the Offer

The consideration being offered by LionGold is an implied offer price of \$0.19 per Share (based on a LionGold Share price of SGD\$0.845 at the prevailing foreign exchange rate on the last trading day (being 16 December 2011) before the date of the Bidder's Statement.

6.2 Conditions to the Offer

LionGold's Offer is subject to a number of conditions. Those conditions are set out in full in section 9.3 of the Bidder's Statement.

As at the date of this Target's Statement, Signature is not aware of any act, omission, event or fact that would result in the failure of any of the conditions to the Offer.

6.3 Notice of Status of Conditions

Section 9.5 of the Bidder's Statement indicates that LionGold will give a Notice of Status of Conditions to the ASX and Signature on 9 February 2012.

LionGold is required to set out in its Notice of Status of Conditions:

- (a) whether the Offer is free of any or all of the conditions;
- (b) whether, so far as LionGold knows, any of the conditions have been fulfilled; and
- (c) LionGold's voting power in Signature.

If the Offer Period is extended by a period before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, LionGold is required, as soon as practicable after the extension, to give a notice to the ASX and Signature that states the new date for the giving of the Notice of Status of Conditions.

If a condition is fulfilled (so that the Offer becomes free of that condition) during the bid period, but before the date on which the Notice of Status of Conditions is required to be given, LionGold must, as soon as practicable, give the ASX and Signature a notice that states that the particular condition has been fulfilled.

6.4 Offer Period

Unless LionGold's Offer is extended or withdrawn, it is open for acceptance until 5.00pm WST on 17 February 2012.

The circumstances in which LionGold may extend or withdraw its Offer are set out in Sections 6.5 and 6.6 respectively of this Target's Statement.

6.5 Extension of the Offer Period

LionGold may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in Section 6.3 in this Target's Statement) while the Offer is subject to conditions. However, if the Offer is unconditional (that is, all

the conditions are fulfilled or waived), LionGold may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

- (a) LionGold improves the consideration offered under the Offer; or
- (b) LionGold's voting power in Signature increases to more than 50%.

If either of these events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

6.6 Withdrawal of Offer

LionGold may not withdraw the Offer if you have already accepted it. Before you accept the Offer, LionGold may withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

6.7 Effect of acceptance

The effect of acceptance of the Offer is set out in section 9.7 of the Bidder's Statement. Signature Shareholders should read these provisions in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their Signature Shares and the representations and warranties which they give by accepting of the Offer.

6.8 Your ability to withdraw your acceptance

You only have limited rights to withdraw your acceptance of the Offer.

You may only withdraw your acceptance of the Offer if LionGold varies the Offer in a way that postpones, for more than one month, the time when LionGold needs to meet its obligations under the Offer. This will occur if LionGold extends the Offer Period by more than one month and the Offer is still subject to conditions.

6.9 When you will receive your LionGold Shares if you accept the Offer

In the usual case, you will be issued your LionGold Shares on or before the later of:

- (a) one month after the date the Offer becomes or is declared unconditional; and
- (b) one month after the date you accept the Offer if the Offer is, at the time of acceptance, unconditional,

but, in any event (assuming the Offer becomes or is declared unconditional), no later than 21 days after the end of the Offer Period.

However, there are certain exceptions to the above timetable for the issuing of consideration. Full details of when you will be issued your LionGold Shares are set out in section 9.10 of the Bidder's Statement.

6.10 Effect of an improvement in consideration on Shareholders who have already accepted the Offer

If LionGold improves the consideration offered under its takeover bid, all Signature Shareholders, whether or not they have accepted the Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration.

6.11 Lapse of Offer

The Offer will lapse if the Offer conditions are not waived or fulfilled by the end of the Offer Period, in which case, all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In that situation, you will be free to deal with your Signature Shares as you see fit.

6.12 Compulsory acquisition

LionGold has indicated in section 7.8 of its Bidder's Statement that if it satisfies the required thresholds it intends to compulsorily acquire any outstanding Signature Shares.

LionGold will be entitled to compulsorily acquire any Signature Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Offer if, during or at the end of the Offer Period, LionGold and its associates have a relevant interest in at least 90% (by number) of the Signature Shares.

If this threshold is met, LionGold will have one month after the end of the Offer Period, within which to give compulsory acquisition notices to Signature Shareholders who have not accepted the Offer. Signature Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their Signature Shares. If compulsory acquisition occurs, Signature Shareholders who have their Signature Shares compulsorily acquired are likely to be issued their consideration approximately 5 to 6 weeks after the compulsory acquisition notices are dispatched to them.

It is also possible that LionGold will, at some time after the end of the Offer Period, become the beneficial holder of 90% of the Signature Shares. LionGold would then have rights to compulsorily acquire Signature Shares not owned by it within 6 months of becoming the holder of 90%. LionGold's price for compulsory acquisition under this procedure would have to be considered in a report of an independent expert.

6.13 Intentions of the Bidder

The intentions of LionGold (as at the date of the Bidder's Statement) in relation to Signature, its business, assets and employees are set out in Section 7.8 of the Bidder's Statement. The statements set out in Section 7.8 of the Bidder's Statement are statements of LionGold's intentions at the date of the Bidder's Statement only, which may vary as new information becomes available or circumstances change.

7. INFORMATION RELATING TO YOUR DIRECTORS

7.1 Interests and dealings in Signature securities

(a) Interests in Signature Shares and Options

As at the date of this Target's Statement, your Directors had the following relevant interests in Signature Shares and Signature Options:

Director	Number of Ordinary Signature Shares	Number of Signature Options exercisable at 1.5 cents each on or before 31 December 2012	Number of Signature Options exercisable at 3 cents each on or before 28 September 2012
Matthew Wood	63,868,328	20,000,000	Nil
Bill Oliver	1,624,220	10,000,000	Nil
Richard Chan ¹	Nil	Nil	Nil
Su-Yin Quah ¹	Nil	Nil	Nil

1. Pursuant to the terms of a subscription agreement with Infiniti Premium Resources Limited (**Infiniti**), Richard Chan and Su-Yin Quah were appointed Directors. Richard Chan is a director of Infiniti. Infiniti currently holds 13.04% of all Signature Shares.

(b) Dealings in Signature Shares and Options

No Director of Signature has acquired or disposed of a relevant interest in any Signature Shares or Signature Options in the 4 month period ending on the date immediately before the date of this Target's Statement.

It is noted, however, that the following pre-bid agreements have been entered into by Signature Directors with LionGold:

- (i) Pre-Bid Acceptance Agreement between LionGold and Mr Matthew Gaden Western Wood dated 17 October 2011 (**Wood Parcel 1**);
- (ii) Pre-Bid Acceptance Agreement between LionGold and Mr Matthew Gaden Western Wood dated 17 October 2011 (**Wood Parcel 2**);
- (iii) Pre-Bid Acceptance Agreement between LionGold and Warrior Consulting Pty Ltd (**Warrior**) dated 17 October 2011. Mr Tim Favel is a director of Warrior; and

- (iv) Pre-Bid Acceptance Agreement between LionGold and Mr William Alan Oliver and Mrs Bryony Nicole Norman Oliver (holding jointly) dated 17 October 2011.

7.2 Interests and dealings in LionGold securities

(a) Interests in LionGold securities

As at the date immediately before the date of this Target's Statement, no Signature Director had a relevant interest in any LionGold securities.

(b) Dealings in LionGold securities

No Director of Signature acquired or disposed of a relevant interest in any LionGold securities in the 4 month period ending on the date immediately before the date of this Target's Statement.

7.3 Benefits and agreements

(a) Benefits in connection with retirement from office

As a result of the Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of Signature or related body corporate of Signature.

(b) Agreements connected with or conditional on the Offer

There are no agreements made between any Director of Signature and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Signature Shares or Signature Options.

(c) Benefits from LionGold

None of the Directors of Signature has agreed to receive, or is entitled to receive, any benefit from LionGold which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Signature Shares or Signature Options.

(d) Interests of Directors in contracts with LionGold

None of the Directors of Signature has any interest in any contract entered into by LionGold.

8. ADDITIONAL INFORMATION

8.1 Effect of the takeover on Signature's material contracts

Owere Mines Limited (**OML**) (Signature's 70% subsidiary) has received a letter from the Minerals Commission of Ghana regarding the impact of the Offer and the transaction by which Signature acquired its interest in OML and the change of control in OML under the *Minerals and Mining Act 2006* (Ghana).

Signature intends to liaise with the Minerals Commission of Ghana to ensure that the transaction contemplated by the Offer proceeds in compliance with Ghanaian law.

Other than as previously disclosed, none of the material contracts to which Signature is a party contains change of control provisions which may be triggered as a result of, or as a result of acceptances of, the Offer.

8.2 Bid Implementation Deed

Copies of the announcements made by LionGold and Signature to the SGX and ASX respectively, on the Announcement Date regarding the Offer (including the Bid Implementation Deed and the Pre-Bid Acceptance Agreements), are available through the ASX and SGX websites or Signature's and LionGold's websites.

8.3 Material litigation

As at the date of this Target's Statement, Signature was not involved in any known disputes which were material in the context of Signature and its subsidiaries taken as a whole.

8.4 Issued capital

As at the date of this Target's Statement, Signature's issued capital consisted of:

- (a) 2,704,575,214 fully paid ordinary Shares; and
- (b) 101,666,666 Signature Options, consisting of:
 - (i) 333,333 Signature Options exercisable at \$0.65 on or before 14 April 2012;
 - (ii) 333,333 Signature Options exercisable at \$0.65 on or before 14 April 2013;
 - (iii) 20,000,000 Signature Options exercisable at \$0.03 on or before 28 September 2012;
 - (iv) 9,000,000 Signature Options exercisable at \$0.03 on or before 14 November 2012;
 - (v) 55,000,000 Signature Options exercisable at \$0.015 on or before 31 December 2012; and
 - (vi) 17,000,000 Signature Options exercisable at \$0.02 on or before 31 December 2013.

8.5 Substantial holders

As at the date of this Target's Statement:

- (a) Infiniti Premium Resources Limited held 352,770,680 Signature Shares representing 13.04% of all Signature Shares; and ¹
- (b) LionGold have pre-bid agreements for 478,335,903 Signature Shares representing 17.68% of all Signature Shares. ²

8.6 Effect of Offer on Signature Options

LionGold is not offering to acquire Signature Options. However, the Offer extends to any new Signature Shares that are issued during the Offer Period as a result of the exercise of Signature Options. Accordingly, Signature Optionholders may elect to exercise their Options before the expiry date of their Options, pay the relevant exercise price to Signature and accept the Offer in respect of the Signature Shares issued following the exercise of their Signature Options.

8.7 Consents

Steinepreis Paganin has given, and has not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in the Target's Statement as Signature's Australian legal advisers in the form and context in which it is so named. Steinepreis Paganin has not advised on the laws of any foreign jurisdiction and has not provided tax advice in relation to any jurisdiction. Steinepreis Paganin has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement other than any reference to its name.

As permitted by ASIC Class Order 01/1543, this Target's Statement contains statements which are made, or based on statements made, in documents lodged by LionGold with ASIC, given to the ASX or announced on SignatureSignature Announcements Platform of the ASX, by LionGold. Pursuant to the Class Order, the consent of LionGold is not required for the inclusion of such statements in this Target's Statement. Any Signature Shareholder who would like to receive a copy of any of those documents may obtain a copy (free of charge) during the Offer Period by contacting the Signature Shareholder line on (08) 9481 0101 (for calls made from within Australia) or (+61 8) 9481 0101 (for calls made from outside Australia). As permitted by ASIC Class Order 03/635, this Target's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Class Order 07/429, this Target's Statement contains Share price trading data sourced from Bloomberg without its consent.

¹ Based on notice of change of interests of substantial shareholder provided to Signature on 4 November 2011.

² Based on notice of initial interests of substantial shareholder provided to Signature on 28 November 2011.

8.8 No other material information

This Target's Statement is required to include all the information that Signature Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- (b) only if the information is known to any Director of Signature.

The Directors of Signature are of the opinion that the information that Signature Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is:

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- (b) the information contained in Signature's releases to the ASX, and in the documents lodged by Signature with ASIC before the date of this Target's Statement; and
- (c) the information contained in this Target's Statement.

The Directors of Signature have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Directors of Signature do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Directors of Signature have had regard to:

- (a) the nature of the Signature Shares;
- (b) the matters that Shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to Shareholders' professional advisers; and
- (d) the time available to Signature to prepare this Target's Statement.

9. GLOSSARY AND INTERPRETATION

9.1 Glossary

Where the following terms are used in this Target Statement they have the following meanings:

Announcement Date means the announcement of the Offer, being 14 October 2011.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX.

Bidder means LionGold.

Bidder's Statement means the bidder's statement of LionGold under Part 6.5 of Division 2 of the Corporations Act issued in relation to the Offer, dated 19 December 2011.

Bid Implementation Deed means the bid implementation deed dated 13 October 2011 between Signature and LionGold.

Business Day means a day on which the banks are open for business in Perth, Western Australia, and Singapore, excluding a Saturday, Sunday or public holiday.

Closing Date means the closing date of the Offer as set out in the indicative timetable in the "Key Dates" Section of this Target's Statement (subject to Signature reserving the right to extend the Closing Date or close the Offer early).

Competing Proposal means a proposal pursuant to which a person (other than LionGold or another entity in the LionGold Group) would, if the proposal were implemented substantially in accordance with its terms:

- (a) directly or indirectly, acquire an interest in all or a substantial part of the assets of Signature;
- (b) directly or indirectly, acquire an interest, a relevant interest in or become the holder of 20% of more of the Signature Shares;
- (c) acquire control of Signature, within the meaning of section 50AA of the Corporations Act; or
- (d) otherwise acquire or merge with Signature (including by way of a scheme of arrangement, reverse takeover bid or dual listed companies structure).

Constitution means the constitution of Signature.

Corporations Act means the Corporations Act 2001 (Cth).

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

LionGold means LionGold Corp Ltd (Company Registration No. 35500) (a company incorporated in Bermuda).

LionGold Group means LionGold and its Related Bodies Corporate.

LionGold Offer or Offer means the offer by LionGold for the Signature Shares, which offer is contained in section 9.1 of the Bidder's Statement.

LionGold Shares means a fully paid ordinary share issued in the capital of LionGold.

Material Adverse Change means any event, change or condition that has, or could reasonably be expected to have, a material adverse effect on:

- (a) the business, assets, liabilities, financial or trading position, profitability or prospects of the Signature Group, taken as a whole, since 30 June 2011 by an amount of \$500,000 or more; or
- (b) the status or terms of any of the exploration or mining tenements owned by Signature or its subsidiaries, except for events, and conditions publicly announced by Signature or otherwise disclosed in public filings in Australia by Signature or any of its subsidiaries prior to the date of the Implementation Deed provided that the relevant announcement or disclosure is not, and is not likely to be, incomplete, incorrect untrue or misleading.

Notice of Status of Conditions means LionGold's notice disclosing the status of the conditions to the Offer which is required to be given by section 630(3) of the Corporations Act.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with section 9.1 of the Bidder's Statement.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Prescribed Occurrence means the following occurrences (being the occurrences listed in section 652C of the Corporations Act):

- (a) Signature converting all or any of its Shares into a larger or smaller number of Shares under section 254H of the Corporations Act;
- (b) Signature or a subsidiary of Signature resolving to reduce its share capital in any way;
- (c) Signature or a subsidiary of Signature entering into a buyback agreement or resolving to approve the terms of a buyback agreement under subsections 257C(1) or 257D(1) of the Corporations Act;
- (d) Signature or a subsidiary of Signature making an issue of shares (other than shares issued as a result of the exercise of Options that are on issue

- as at the date the Offer was announced) or granting an option over its shares or agreeing to make such an issue or grant such an option;
- (e) Signature or a subsidiary of Signature issuing, or agreeing to issue, convertible notes;
 - (f) Signature or a subsidiary of Signature disposing or agreeing to dispose, of the whole, or a substantial part, of its business or property;
 - (g) Signature or a subsidiary of Signature charging, or agreeing to charge, the whole, or a substantial part, of its business or property;
 - (h) Signature or a subsidiary of Signature resolving that it be wound up;
 - (i) the appointment of a liquidator or provisional liquidator of Signature or of a subsidiary of Signature;
 - (j) the making of an order by a court for the winding up of Signature or of a subsidiary of Signature;
 - (k) an administrator of Signature or of a subsidiary of Signature being appointed under sections 436A, 436B or 436C of the Corporations Act;
 - (l) Signature or a subsidiary of Signature executing an agreement of company arrangement; or
 - (m) the appointment of a receiver, or a receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of Signature or of a subsidiary of Signature.

Related Body Corporate has the meaning given by the Corporations Act.

Section means a section of this Target's Statement.

section means a section of the Bidder's Statement.

Signature means Signature Metals Limited, (ABN 86 106 293 190)

Signature Board or Board means the board of Directors as constituted from time to time.

Signature Director or Director means a director of Signature at the date of this Prospectus.

Signature Option means an option to subscribe for a Signature Share.

Signature Share or Share means a fully paid ordinary share issued in the capital of Signature.

Signature Shareholder or Shareholder means a holder of Shares.

Singapore Exchange or **SGX** means Singapore Exchange Securities Trading Limited or the financial market known as the Singapore Exchange.

Small Parcel is a small parcel of securities which:

- (a) is not capable of being issued or traded on a financial market, including the SGX;
- (b) is less than the minimum holding of Shares able to be held or traded under the operating rules of a financial market, including the SGX-ST; or
- (c) would otherwise be impractical or inefficient to be issued or traded on a financial market, including the SGX.

Superior Proposal means a bona fide Competing Proposal which the Signature Directors have determined, in good faith, is:

- (a) reasonably capable of being valued, taking into account all aspects of the Competing Proposal and the person making it;
- (b) reasonably capable of being completed on a timely basis; and
- (c) is more favourable to Signature Shareholders than the takeover bid, taking into account all the terms and conditions of the Competing Proposal.

Target means Signature.

Target's Statement means this document (including the attachments), being the statement of Signature under Part 6.5 Division 3 of the Corporations Act.

WST means Western Standard Time as observed in Perth, Western Australia.

9.2 Interpretation

In this Target's Statement:

- (a) other words and phrases have the same meaning (if any) given to them in the Corporations Act.
- (b) words of any gender include all genders.
- (c) words indicating the singular include the plural and vice versa.
- (d) an expression indicating a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa.
- (e) a reference to a Section, clause, attachment and schedule is a reference to a Section of, clause of and an attachment and schedule to this Target's Statement as relevant.
- (f) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them.
- (g) headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement.
- (h) a reference to time is a reference to WST.
- (i) a reference to dollars, \$, A\$, AUD, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

(j) a reference to SGD\$ is a reference to the lawful currency of Singapore.

10. AUTHORISATION

This Target's Statement has been approved by a resolution passed by the Directors of Signature. All Signature Directors voted in favour of that resolution.

Signed for and on behalf of Signature:

Matthew Wood
Chairman
For and on behalf of
Signature Metals Limited

ANNEXURE A – CONDITIONS

1. No prescribed occurrences

During the period from the date of the Bidder's Statement to the end of the Offer Period (each inclusive), none of the following occurrences (being the prescribed occurrences listed in section 652C of the Corporations Act) happens:

- (b) Signature converts all or any of its Shares into a larger or smaller number of Shares under section 254H of the Corporations Act;
- (c) Signature or a subsidiary of Signature resolves to reduce its share capital in any way;
- (d) Signature or a subsidiary of Signature enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (e) Signature or a subsidiary of Signature issues shares (other than as a result of the exercise of Signature Options) or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (f) Signature or a subsidiary of Signature issues, or agrees to issue, convertible notes;
- (g) Signature or a subsidiary of Signature disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (h) Signature or a subsidiary of Signature charges, or agrees to charge or encumber, the whole, or a substantial part, of its business or property;
- (i) Signature or a subsidiary of Signature resolves to be wound up;
- (j) a liquidator or provisional liquidator of Signature or of a subsidiary of Signature is appointed;
- (k) a court makes an order for the winding up of Signature or of a subsidiary of Signature;
- (l) an administrator of Signature or of a subsidiary of Signature is appointed under section 436A, 436B or 436C of the Corporations Act;
- (m) Signature or a subsidiary of Signature executes a deed of company arrangement; or
- (n) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Signature or a subsidiary of Signature,

each a "**Prescribed Occurrence**".

2. No prescribed occurrences between Announcement Date and service

None of the Prescribed Occurrences happens during the period beginning on the Announcement Date and ending at the end of the day before the Bidder's Statement is given to Signature.

3. **No action by government agency adversely affecting the Offer**

During the period from the Execution Date to the end of the Offer Period:

- (a) there is not in effect any preliminary or final decision, order or decree issued by a government agency;
- (b) no action or investigation is instituted, or threatened by any government agency with respect to Signature or any subsidiary of Signature; or
- (c) no application is made to any government agency (other than an application by Liongold or any company within the LionGold Group, an application under section 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer),

in consequence of, or in conjunction with, the Offer, which restrains or prohibits or threatens to restrain or prohibit, or may otherwise materially adversely impact upon, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including implementing the intentions expressed therein) or seeks to require the divestiture by Liongold of any Signature Shares, or the divestiture of any assets by Signature or by any subsidiary of Signature or by any company within the LionGold Group.

4. **Approvals by government agencies**

During the period from the Execution Date to the end of the Offer Period, LionGold receives all approvals which are required by law or by any government agency:

- (a) to permit the Offers to be made to and accepted by Signature Shareholders; or
- (b) as a result of the Offers or the successful acquisition of the Signature Shares and which are necessary for the continued operation of the business of Signature and its subsidiaries or of LionGold and its subsidiaries,

(together the **Approvals**) and those Approvals are on an unconditional basis and remain in force in all respects and there is no notice or indication of intention to revoke, suspend, restrict, modify or not renew those Approvals.

5. **No material acquisitions, disposals, etc.**

Except for any proposed transaction publicly announced by Signature before the Announcement Date, none of the following events occur during the period from that date to the end of the Offer Period without the written consent of Liongold:

- (a) Signature, or any subsidiary of Signature, acquires, offers to acquire or agrees to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$100,000 or makes an announcement about such an acquisition;
- (b) Signature, or any subsidiary of Signature, disposes, offers to dispose or agrees to dispose of, or creates, or offers to create an equity interest in one or more companies or assets (or an

interest in one or more companies or assets) for an amount in aggregate greater than \$100,000 or makes an announcement about such a disposal;

- (c) Signature, or any subsidiary of Signature, enters into, offers to enter into or announces that it proposes to enter into any joint venture or partnership involving a commitment of greater than \$100,000 or dual listed company structure, or makes an announcement about such a commitment; or
- (d) unless agreed in writing by LionGold, Signature, or any subsidiary of Signature, incurs or commits to, or grants to another person a right the exercise of which would involve Signature or any subsidiary of Signature incurring or committing to any capital expenditure or liability for one or more related items of greater than \$250,000 or makes an announcement about such a commitment.

6. No material failings in filings

LionGold does not become aware, during the period from the execution date to the end of the Offer Period, that:

- (a) any document filed by or on behalf of Signature with ASX or ASIC contains a statement which is incorrect or misleading in any material respect or from which there is a material omission; or
- (b) Signature has not made an announcement in breach of its continuous disclosure obligations.

7. Non-existence of certain rights

No person has any right (whether subject to conditions or not) as a result of LionGold acquiring Signature Shares to:

- (a) acquire, or require Signature or a subsidiary of Signature to dispose of, or offer to dispose of, any material asset of Signature or a subsidiary of Signature;
- (b) terminate or vary any material agreement with Signature or a subsidiary of Signature; or
- (c) accelerate or adversely modify the performance of any obligations of Signature or any of its subsidiaries in a material respect under any material agreements, contracts or other legal arrangements.

8. No force majeure event

During the period from the execution date to the end of the Offer Period, no outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster, material increase in the intensity of any of the above events or other event beyond the control of Signature or the relevant subsidiary occurs which affects or is likely to affect the assets, liabilities, financial position, performance, profitability or prospects of Signature or any of its subsidiaries.

9. No material adverse change to Signature

During the period from the execution date to the end of the Offer Period, no Material Adverse Change occurs.

10. Approval by Liongold shareholders

Prior to the end of the Offer Period, LionGold receives the approval of its shareholders, in general meeting, for the Offer and the Offer in accordance with the Rule 1014 of the Listing Manual Part A: Mainboard Rules of the SGX.

ANNEXURE B – OFFER ANNOUNCEMENTS

LIONGOLD CORP LTD
(Incorporated in Bermuda)

PROPOSED TAKEOVER BID FOR UP TO 2,704,575,214⁽¹⁾ ORDINARY FULLY PAID SHARES CONSTITUTING 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF SIGNATURE METALS LIMITED (“Proposed Takeover”)

1. Introduction

LionGold Corp Ltd (“**LGC**” or the “**Company**”) wishes to announce that it has on 13 October 2011 entered into an Implementation Deed (“**Implementation Deed**”) with Signature Metals Limited (“**SML**”) whereby the Company has agreed to make a takeover bid for up to 2,704,575,214⁽¹⁾ ordinary fully paid shares (“**Signature Shares**”) constituting 100% of the issued and paid-up share capital of SML.

Under the terms of the Implementation Deed, the Company has agreed to make an offer (“**Takeover Offer**”) for the Signature Shares at the bid price (“**Bid Price**”) of A\$0.02 (approximately S\$0.0257 at an exchange rate of A\$1.00 to S\$1.2869) for each Signature Share. The aggregate consideration (“**Consideration**”) for the Signature Shares is up to a maximum of approximately A\$54,091,504 (approximately S\$69,610,357 at an exchange rate of A\$1.00 to S\$1.2869).

The Takeover Offer is unanimously recommended by the SML directors in the absence of a superior proposal. The SML directors also intend to accept the Takeover Offer for their shares in the absence of a superior proposal. Under the terms of the Implementation Deed, SML will use its best endeavours to procure the execution by certain SML shareholders of the Pre-Bid Agreements so that, in aggregate, the Company would receive undertakings from SML shareholders holding approximately up to 19.9% of the Signature Shares. The Company will make separate announcements of the execution of the Pre-Bid Agreements in due course.

The Consideration is to be satisfied by way of an allotment and issue of up to approximately 80,409,330⁽²⁾ new ordinary shares (“**Consideration Shares**”) credited as fully paid in the issued and paid-up share capital of the Company at an issue price of S\$0.8657 for each Consideration Share. Subject as provided below, the Consideration Shares would be allotted and issued to the shareholders of SML who accept the Takeover Offer. The issue price of S\$0.8657 represents the weighted average price for trades of the Company’s shares done on the SGX-ST Mainboard on 13 October 2011, being the full market day on which the Implementation Deed is executed.

Notes:

- (1) As at the date of the Implementation Deed, SML has an issued and paid-up share capital of 2,485,137,867 ordinary shares (which includes 133,333,333 Placement Shares, as defined below). On 30 September 2011, SML announced a placement of 352,770,680 new ordinary shares (“**Placement Shares**”) out of which, as at the date of the Implementation Deed, a total of 133,333,333 Placement Shares have been allotted and issued. The balance 219,437,347 Placement Shares are expected to be issued subject to the terms of the placement being satisfied. Subject to the balance 219,437,347 Placement Shares being allotted and issued, the Company intends to make a bid for all the Signature Shares.
- (2) The number of Consideration Shares to be allotted and issued includes fractional entitlements that would be rounded upwards to the nearest whole number. The Company will separately announce the exact number of Consideration Shares to be allotted and issued after the close of the Takeover Offer.

2. Relative Bases under Rule 1006

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual Part A: Mainboard Rules (“**Listing Manual**”), each rule, a “**Rule**” and collectively the “**Rules**” of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) are set out below.

1006 (a)	The net asset value of the assets to be disposed of compared with the group’s net asset value	Not applicable
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1006(b)	The net losses attributable to the assets acquired or disposed of, compared with the group's net loss	96.28% ⁽¹⁾
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalization	11.03% ⁽²⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	11.03% ⁽³⁾

Notes:

- (1) The audited net losses of SML (before income tax, minority interests and extraordinary items) for the year ended 30 June 2011 was A\$2,731,403 (approximately S\$3,515,043 at an exchange rate of A\$1.00 to S\$1.2869). The unaudited net losses of the Company (before income tax, minority interests and extraordinary items) for the year ended 30 June 2011 was approximately S\$3,651,000.
- (2) The aggregate value of the consideration given for the acquisition of the Signature Shares is S\$69,610,357. The Company's market capitalisation on the market day preceding the date of the Implementation Deed was approximately S\$631,038,074 based on the weighted average price of S\$0.8658 of the Company's shares on 12 October 2011, being the date preceding the date of the Implementation Deed.
- (3) The number of equity securities to be issued by the Company as consideration for the acquisition of the Signature Shares is 80,409,330. As at the date of the Implementation Deed, the Company has 728,849,704 shares in issue.

As the relative figures computed on the bases set out in Rule 1006(b) exceeds 20%, the Proposed Takeover is a "major transaction" within the meaning of Rule 1010 (read with Rule 1006) of the Listing Manual. Pursuant to Rule 1014(2) of the Listing Manual, a major transaction must be made conditional upon approval by shareholders in general meeting. A Circular containing the information in Rule 1010 would be sent to shareholders in due course.

The information to be provided under Rule 1010 of the Listing Manual is set out below.

Rule 1010(1)

Particulars of the assets acquired or disposed of, including the name of any company or business, where applicable

The Proposed Takeover involves the Company making the Takeover Offer for all the Signature Shares at the Bid Price. SML is a company incorporated under the laws of Australia and has its registered office and principal place of business at Level 1, 33 Richardson Street, West Perth, Western Australia. The Signature Shares are listed and quoted for trading on the Australian Securities Exchange ("**ASX**").

Prior to the Implementation Deed and the Pre-Bid Agreements, neither the Company nor any of its directors or substantial shareholders had any dealings (including business relationships) whatsoever with SML, its respective directors or shareholders. As at the date of the Implementation Deed and the Pre-Bid Agreements, SML does not own any share in the Company and the Company (except for the undertakings contained in the Pre-Bid Agreements) is not interested in, whether legally or beneficially, in any Signature Share.

Rule 1010(2)

A description of the trade carried on, if any

(Information provided below on the business activities of SML has been provided and verified by SML)

SML is an investment holding company. It has three (3) subsidiaries, namely Uganda Minerals Pty Ltd (incorporated in Australia), Embuyaga Exploration Ltd (incorporated in Uganda) and Owere Mines Limited (incorporated in Ghana). Uganda Minerals Pty Ltd and Embuyaga Exploration Ltd are dormant subsidiaries.

Owere Mines Limited (“**OML**”), of which SML has 70% equity interest, is in the business of mineral exploration and exploitation, and examination of new resource opportunities principally in Ghana, Africa. OML owns mining tenements in the Ashanti Gold Belt of Ghana and has JORC compliant resources of approximately 1.47 million ounces of gold (Indicated and Inferred Categories), which includes 687,000 ounces in the Indicated Category. Additional information relating to SML may be obtained from SML’s website at www.signaturemetals.com.au. The following tables present a summary of the financial statements of SML for the periods stated in the tables.

Summary of the Audited Profit and Loss Statements			
	Year Ended 30 June 2009	Year ended 30 June 2010	Year ended 30 June 2011
	(audited) (S\$)	(audited) (S\$)	(audited) (S\$)
Revenue	82,960	73,514	149,437
(Loss)/Profit before income tax	(1,586,369)	(2,858,603)	(3,515,043)
Income tax expense	0	0	0
(Loss)/Profit after taxation	(1,586,369)	(2,858,603)	(3,515,043)
Summary of the Audited Balance Sheets			
	As at 30 June 2009	As at 30 June 2010	As at 30 June 2011
	(audited) (S\$)	(audited) (S\$)	(audited) (S\$)
Non-current assets	96,941	12,639,776	33,543,164
Current assets	1,036,611	5,454,053	11,119,508
Current liabilities	86,742	1,295,141	3,020,015
Non-current liabilities	0	573,785	2,062,024
Net current assets/(liabilities)	10,199	11,344,635	30,523,150
Net assets/(liabilities)	1,046,810	16,224,903	39,580,634

Rule 1010(3)

The aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment.

The consideration payable by the Company for the Signature Shares is up to approximately A\$54,091,504 (approximately S\$69,610,357 at an exchange rate of A\$1.00 to S1.2869).

The variable weighted average price (“**VWAP**”) of each Signature Share as traded on the ASX on 13 October 2011 was A\$0.013029. Pursuant to Rule 1003(1) of the Listing Manual, the market value of the Signature Shares is approximately A\$32,378,862. The Bid Price represents a premium of approximately 54% over the VWAP of each Signature Share on 13 October 2011.

No valuation report was procured for the Signature Shares. In agreeing to the Bid Price, the Company relied on the VWAP of the Signature Shares and the net asset value of the Signature Shares of approximately A\$0.0121 as at 30 June 2011. The Company is of the view that the Signature Shares are undervalued as compared against similar companies having operations in West Africa whose shares are also listed and quoted for trading on the ASX. Despite the quality of its resource, the markets in general have pushed many of the Junior Metal Companies market capitalization way down over the past year and these general market sentiments did not distinguish SML from others. The Company’s ability to unlock further value with applying its expertise to extracting gold from the alluvial resource and re-

developing the old workings deems the Bid Price of A\$0.02 to be reasonable. It was also determined that an offering of A\$0.02 per Signature Share would be sufficient to sway existing SML shareholders to agree to the Takeover Offer.

The Consideration is to be satisfied by way of an allotment and issue of the Consideration Shares to the shareholders of SML who accept the Takeover Offer. The entitlement of the shareholders of SML to the Consideration Shares will be pro-rated according to the number of Signature Shares they own. Under the terms of the Implementation Deed, all fractional entitlements to the Consideration Shares will be rounded upwards to the nearest whole. As such, the exact number of Consideration Shares to be allotted and issued will depend on the level of acceptances received and the rounding upwards of fractional entitlements. The Company will make announcements of the exact number of Consideration Shares to be allotted and issued subsequent to the close of the Takeover Offer. Under the terms of the Implementation Deed, it is also provided that subject to the approval of the Australian Securities & Investments Commission (“ASIC”) being obtained, the Company may, at its election, satisfy part of the Consideration in cash to those SML shareholders who would otherwise be entitled to small parcels (as defined below). The Company will make separate announcements on its application to ASIC and the outcome thereof in due course.

Subject to the shareholders of the Company in general meeting approving the Proposed Takeover, the Company intends to issue the Consideration Shares pursuant to the general share issue mandate (“**Share Issue Mandate**”) obtained at the annual general meeting of the Company on 30 July 2011.

The Consideration Shares are not being issued at any discount. The issue price of S\$0.8657 for each Consideration Share is the weighted average price of the shares of the Company transacted on 13 October 2011 being the full market day the Implementation Deed was executed.

Under the terms of the Implementation Deed, the Company is required to lodge and issue a Bidder’s Statement (“**Bidder’s Statement**”) to the SML shareholders within two (2) months from the date of the Implementation Deed. The Takeover Offer contained in the Bidder’s Statement will be opened for acceptance for a period of not less than one (1) month from the date the Bidder’s Statement is lodged and issued. The Company intends to lodge and issue the Bidder’s Statement within the time limited by the Implementation Deed and will keep the Takeover Offer open for not less than one (1) month thereafter.

Rule 1010(4)

Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof.

The Proposed Takeover is subject to the following conditions:

1. Takeover Offer

The Company will make an off-market takeover offer to acquire all the Signature Shares which are not already held by the Company. The offer will extend to Signature Shares which are issued during the period from the Register Date, being the date set by the Company pursuant to section 633(2) of the Corporations Act, to the end of the Offer Period, being the period during which the Offer is open for acceptance, due to a conversion or exercise of rights attached to securities which exist, or will exist, as at the Register Date including without limitation, any option to subscribe for Signature Shares.

2. Share Offer Consideration

1 Consideration Share for every 34 Signature Shares, with any fractional entitlements to Consideration Shares rounded to the nearest whole Consideration Share.

- (i) For the avoidance of doubt, the Share Offer Consideration is calculated as follows:

The value of the Signature Shares is based on a price of A\$0.02 per Signature Share. The value of the Consideration Shares is calculated by reference to the VWAP of the Consideration Shares on the date of the Implementation Deed and is converted to Australian Dollars at the prevailing currency rate on the date of the Implementation Deed.

- (ii) Instead of issuing the Consideration Shares to Small Parcel Shareholders (being a Signature Shareholder who would otherwise be issued with a small parcel under the Offer), LGC may, subject to compliance with all applicable laws and regulations, including the Corporations Act, issue the Consideration Shares, to which a Small Parcel Shareholder would be otherwise issued, to a nominee appointed by the Company or SML who will sell those Consideration Shares and pay to that Small Parcel Shareholder the proceeds received, after deducting applicable brokerage, taxes and charges.

Note:

Small Parcel is a small parcel of securities which:

- (i) is not capable of being issued or traded on a financial market, including the SGX-ST; or
- (ii) is less than the minimum holding of shares able to be held or traded under the operating rules of a financial market, including the SGX-ST; or
- (iii) would otherwise be impractical or inefficient to be issued or traded on a financial market, including the SGX-ST.

3. Offer Period

The Offer will remain open for a minimum period of one month (unless withdrawn during that period under section 652B of the Corporations Act).

4. No prescribed occurrences

During the period from the date of the Bidder's Statement to the end of the Offer Period (being the period during which the Offer is open for acceptance) (each inclusive), none of the following occurrences (being the prescribed occurrences listed in section 652C of the Corporations Act) happens:

- (i) SML converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (ii) SML or a subsidiary of SML resolves to reduce its share capital in any way;
- (iii) SML or a subsidiary of SML enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) SML or a subsidiary of SML issues shares (other than as a result of the exercise of SML Options) or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) SML or a subsidiary of SML issues, or agrees to issue, convertible notes;
- (vi) SML or a subsidiary of SML disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (vii) SML or a subsidiary of SML charges, or agrees to charge or encumber, the whole, or a substantial part, of its business or property;

- (viii) SML or a subsidiary of SML resolves to be wound up;
- (ix) a liquidator or provisional liquidator of SML or of a subsidiary of SML is appointed;
- (x) a court makes an order for the winding up of SML or of a subsidiary of SML;
- (xi) an administrator of SML or of a subsidiary of SML is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) SML or a subsidiary of SML executes a deed of company arrangement; or
- (xiii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of SML or a subsidiary of SML,

each a “**Prescribed Occurrence**”.

5. No prescribed occurrences between Announcement Date (being the date on which this Announcement is released to the ASX and the SGX-ST) and service

None of the Prescribed Occurrences happens during the period beginning on the Announcement Date and ending at the end of the day before the Bidder’s Statement is given to SML.

6. No action by Government Agency adversely affecting the Takeover Bid

During the period from the date of the Bidder’s Statement to the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency (being any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity whether foreign, federal, state, territorial or local in any part of the world in which a party is domiciled or holds any of its assets, including ASIC, ASX and SGX-ST (and any other stock exchange);
- (ii) no action or investigation is instituted, or threatened by any Government Agency with respect to SML or any subsidiary of SML; or
- (iii) no application is made to any Government Agency (other than an application by LGC or any company within the LGC Group, an application under section 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Takeover Bid),

in consequence of, or in conjunction with, the Takeover Bid, which restrains or prohibits or threatens to restrain or prohibit, or may otherwise materially adversely impact upon, the making of the Takeover Bid or the completion of any transaction contemplated by the Bidder’s Statement (including implementing the intentions expressed therein) or seeks to require the divestiture by the Company of any Signature Shares, or the divestiture of any assets by SML or by any subsidiary of SML or by any company within the LGC Group.

7. Approvals by Government Agencies

During the period from the date of the Implementation Deed to the end of the Offer Period, LGC receives all approvals which are required by law or by any Government Agency:

- (i) to permit the Takeover Offer to be made to and accepted by SML Shareholders; or

- (ii) as a result of the Takeover Offer or the successful acquisition of the Signature Shares and which are necessary for the continued operation of the business of SML and its subsidiaries or of LGC and its subsidiaries,

and those approvals are on an unconditional basis and remain in force in all respects and there is no notice or indication of intention to revoke, suspend, restrict, modify or not renew those approvals.

8. No material acquisitions, disposals, etc.

Except for any proposed transaction publicly announced by SML before the Announcement Date, none of the following events occur during the period from that date to the end of the Offer Period without the written consent of LGC:

- (i) SML, or any subsidiary of SML, acquires, offers to acquire or agrees to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$100,000 or makes an announcement about such an acquisition;
- (ii) SML, or any subsidiary of SML, disposes, offers to dispose or agrees to dispose of, or creates, or offers to create an equity interest in one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$100,000 or makes an announcement about such a disposal;
- (iii) SML, or any subsidiary of SML, enters into, offers to enter into or announces that it proposes to enter into any joint venture or partnership involving a commitment of greater than \$100,000 or dual listed company structure, or makes an announcement about such a commitment; or
- (iv) Unless agreed in writing by LGC, SML, or any subsidiary of SML, incurs or commits to, or grants to another person a right the exercise of which would involve SML or any subsidiary of SML incurring or committing to any capital expenditure or liability for one or more related items of greater than \$250,000 or makes an announcement about such a commitment.

9. No material failings in filings

LGC does not become aware, during the period from the date of the Implementation Deed to the end of the Offer Period, that:

- (i) any document filed by or on behalf of SML with ASX or ASIC contains a statement which is incorrect or misleading in any material respect or from which there is a material omission; or
- (ii) SML has not made an announcement in breach of its continuous disclosure obligations.

10. Non-existence of certain rights

No person has any right (whether subject to conditions or not) as a result of LGC acquiring Signature Shares to:

- (i) acquire, or require SML or a subsidiary of SML to dispose of, or offer to dispose of, any material asset of SML or a subsidiary of SML;
- (ii) terminate or vary any material agreement with SML or a subsidiary of SML; or
- (iii) accelerate or adversely modify the performance of any obligations of SML or any of its subsidiaries in a material respect under any material agreements, contracts or other legal arrangements.

11. No force majeure event

During the period from the date of the Implementation Deed to the end of the Offer Period, no outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster, material increase in the intensity of any of the above events or other event beyond the control of SML or the relevant subsidiary occurs which affects or is likely to affect the assets, liabilities, financial position, performance, profitability or prospects of SML or any of its subsidiaries.

12. No material adverse change to SML

During the period from the date of the Implementation Deed to the end of the Offer Period, no SML Material Adverse Change occurs.

SML Material Adverse Change means any event, change or condition that has, or could reasonably be expected to have, a material adverse effect on:

- (i) the business, assets, liabilities, financial or trading position, profitability or prospects of the SML Group, taken as a whole, since 30 June 2011 by an amount of \$2,000,000 or more; or
- (ii) the status or terms of any of the exploration or mining tenements owned by SML or its subsidiaries,

except for events, and conditions publicly announced by SML or otherwise disclosed in public filings in Australia by SML or any of its subsidiaries prior to the date of the Implementation Deed provided that the relevant announcement or disclosure is not, and is not likely to be, incomplete, incorrect untrue or misleading.

13. Approval by LGC shareholders

Prior to the end of the Offer Period, LGC receives the approval of its shareholders, in general meeting, for the Takeover Bid and the Offer in accordance with Rule 1014 of the Listing Manual Part A: Mainboard Rules of the SGX-ST.

Rule 1010(5)

The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation

Based on the audited financial statements of SML for the financial year ended 30 June 2011, the book value, NTA value and latest available open market value of the Signature Shares are as follows:

	A\$	S\$
Book value	30,068,348	38,694,957
NTA value	30,068,348	38,694,957
Latest available open market value	32,378,862 ⁽¹⁾	41,668,358

Note:

- (1) Arrived at based on the VWAP of each Signature Share of A\$0.013029 and 2,485,137,867 Signature Shares in issue.

Rule 1010(6)

In the case of a disposal, the excess or deficit of the proceeds over the book value and the intended use of the sale proceeds. In the case of an acquisition, the source(s) of

funds for the acquisition

The Consideration Shares would be issued and allotted pursuant to Share Issue Mandate. Under the Share Issue Mandate, the Company may, inter alia, allot and issue up to 20% of the number of shares in issue as at 30 July 2011 otherwise than on a pro-rata basis. As at 30 July 2011, the Company had 728,849,704 shares in issue. The Company may therefore issue and allot up to 145,769,941 shares pursuant to the Share Issue Mandate. On 5 October 2011, the Company submitted an additional listing application for the listing and quotation of 2,494,725 new ordinary shares in the issued and paid-up share capital of the Company. On 13 October 2011, the Company received in-principle approval for the listing and quotation of the 2,494,725 new ordinary shares but has not issued the shares as at the date of this Announcement. The Company may therefore issue and allot up to 143,275,216 balance shares pursuant to the Share Issue Mandate.

The number of Consideration Shares would not exceed 143,275,216 shares but in the event the number of Consideration Shares exceeds 143,275,216 shares, the Company will obtain approval in general meeting for the allotment and issue of the Consideration Shares.

Rule 1010(7)

The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal.

Based on the latest audited financial statements of SML for the financial year ended 30 June 2011, the net loss after income tax attributable is A\$2,731,403 (approximately S\$3,515,043).

Rule 1010(8)

The effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year

Assuming the Proposed Takeover was completed at the end of the financial year ended 30 June 2011, the effects of the Proposed Takeover on the net tangible assets per share of the Company is that the NTA per share increases from 3.63 cents per share to 8.05 cents per share.

	Before the Proposed Takeover	After the Proposed Takeover
Net Tangible Asset value (S\$)	26,455,000	65,149,957 ⁽¹⁾
Weighted Average Number of Shares	728,849,704	809,259,034 ⁽²⁾
NTA per ordinary share (cents)	3.63	8.05

Notes:

(1) The figure is derived by adding the net tangible asset of LGC (S\$26,455,000) and SML (S\$38,694,957).

(2) The weighted average number of shares includes the 80,409,330 Consideration Shares.

The financial effects of the Proposed Takeover on the Company are for illustrative purposes only and are therefore not indicative of the actual financial performance of position of the Company after the completion of the Proposed Takeover.

Rule 1010(9)

The effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year

Assuming the Proposed Takeover was completed at the beginning of the financial year ended

30 June 2011, there is no effect of the Proposed Takeover on the earnings per share of the Company.

The pro forma financial effects of the Proposed Takeover on the earnings per share (“EPS”) are as follows:

	Before the Proposed Takeover	After the Proposed Takeover
Profit per ordinary (S\$)	(2,777,000)	(6,273,721) ⁽¹⁾
Weighted average number of ordinary shares	728,849,704	809,259,034 ⁽²⁾
Earnings per ordinary share (cents)	(0.38)	(0.78)

Notes:

(1) The figure is derived by adding the loss after tax of LGC (S\$2,777,000) and SML (S\$3,496,721).

(2) The weighted average number of shares includes the 80,409,330 Consideration Shares.

Rule 1010(10)

The rationale for the transaction, including the benefits which are expected to accrue to the issuer as a result of the transaction

The Company has been rapidly exploring opportunities to acquire and develop concessions which will be revenue producing in the near term. The Company has been looking at more than 17 different concessions in parts of Africa and Asia. The revenue from these gold production centres will be used to support the exploration and development of large gold resources. This strategy has been effectively implemented with the Company having begun production in West Africa and more specifically Ghana.

Ghana is Africa’s second largest gold producer and offers a relatively large number of quality concessions which fit into the Company’s business model which the local communities and government make readily accessible through a clear and transparent regulatory environment for both small scale alluvial mining and large scale open pit and underground mining. Combining these factors with the availability of local expertise, mining equipment, machinery and parts, the decision was made to use Ghana as a base for developing the Company’s business model. This allows for the most effective use of the time and resources required to develop, engineer and manage the production of gold. It also gives the Company a “centre of excellence” where best practices are being coded into the methodology of taking a promising concession from acquisition to production with high levels of efficiency. Subsequently, as revenues start to come in from the production of gold, the methodology of applying those funds to the exploration and development of resources and reserves which can be measured with JORC standards will further enhance the value of the Company as the Company will be able to quantify new resources and grow the production of the multiple small scale operations at the same time.

By acquiring the Signature Shares,

- (i) The Company is creating value by securing the JORC compliant resources and reserves;
- (ii) The Company is also acquiring and operating a mine and production facility which supports its growth targets for gold production;
- (iii) Economies of scale can be achieved in Ghana to reduce corporate overhead costs;
- (iv) Central engineering works, administration, stores and logistics can be established to support the group’s activities with associated cost reductions;

- (v) The ability to secure a site adjacent to an existing concession which has significant alluvial opportunities also creates value within the guidelines of the Company's overall strategy;
- (vi) The Company is utilising its expertise to oversee the implementation of mining and production activities on large and small scales;
- (vii) The Company is unlocking the value of the project by identifying underground and alluvial resources with the potential of further increasing the JORC reserves and overall production volumes on the Konongo concessions; and
- (viii) The acquisition is opportunistic as Owere Mines are just completing a long lead time, capital intensive period and are about to start being a cash generative operation.

The Company is adding important technical expertise to its team and enhancing its presence in Ghana from where the Company will engineer and deploy to its operations around the world.

Rule 1010(11)

Whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Takeover.

Rule 1010(12)

Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction

Subject to the Company in general meeting approving the Proposed Takeover and the allotment and issue of the Consideration Shares (if required), the Company intends, subsequent to the close of the Takeover Offer, to appoint new directors to the Board of SML. It is not a term of the Implementation Deed that any director of SML be appointed to the Board of the Company.

Rule 1010(13)

Please refer to the relative figures computed based on Rule 1006 above.

Professionals appointed

The Company has appointed Robert Wang & Woo LLP as its Singapore lawyers and Holding Redlich as its Australian lawyers. In addition, the Company appointed Reindorf Chambers in Accra, Ghana as its Ghanaian lawyers to undertake legal due diligence investigations on OML and Stantons International in Perth, Australia to undertake financial due diligence investigations on SML.

Circular

A Circular, setting out the details and additional information relating to the Proposed Takeover, the Signature Shares, SML and its subsidiaries will be issued in due course to the shareholders of the Company together with a Notice of Special General Meeting to seek approval of the Company in general meeting for the Proposed Takeover and the issue of the Consideration Shares (if necessary).

Responsibility Statement

The issue of this Announcement has been approved by the Board of Directors (including those who may have been delegated detailed supervision of the preparation of this Announcement) who have taken all reasonable steps to ensure that the facts stated and the opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement. The Board of Directors jointly and severally accepts responsibility accordingly. Where information contained in this Announcement has been extracted from published or otherwise publicly available sources, the sole responsibility of the Board of Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

A copy of the Implementation Deed is available for inspection at the Singapore business office of the Company at 38 Kallang Place, Singapore 339166.

BY ORDER OF THE BOARD

Wong Choy Yin
Executive Director
14 October 2011

Media Release
(For Immediate Release)

LionGold Makes S\$69.6 Million All Share Takeover Offer For Signature Metals Limited, An Emerging, ASX-Listed Gold Exploration and Mining Company in West Africa

Summary:

- **LionGold Corp Ltd (“LionGold” or “the Group”) has entered into an implementation deed to acquire all outstanding issued shares of Signature Metals Limited (“Signature” or “SML”) at A\$0.02 per share, to be satisfied by the issuance of 80,409,330 LionGold Shares at S\$0.8657 per share**
- **The proposed takeover offer thus values Signature Metals Limited at approximately S\$69.6million.**
- **Under the terms of the Implementation Deed, SML will use its best endeavours to procure the execution by certain SML shareholders of the Pre-Bid Agreements so that, in aggregate, LionGold would receive undertakings from SML shareholders holding approximately up to 19.9% of the Signature Shares.**
- **Signature Metals is an ASX listed gold exploration and mining company which is producing gold at its flagship mine at the Konongo Gold Project on the world class Ashanti Gold Belt in Ghana West Africa.**
- **The Konongo Gold Project currently has JORC compliant resources of 23.4 million tonnes at a grade of 1.95g/t in the Indicated and Inferred categories for a total of 1.47 million ounces of gold. It contains 16 known gold deposits along 12 kilometres of strike of the Ashanti Gold Belt.**

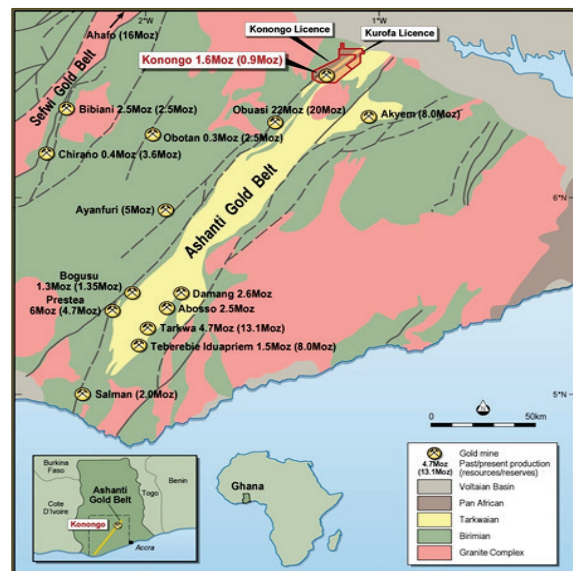
SINGAPORE, 14 October 2011 – LionGold Corp Ltd¹ (“LionGold” or “the Group”) is pleased to announce it has made a general offer for Signature Metals Limited (“Signature” or “SML”), an ASX listed gold producer at A\$0.02 per share, to be satisfied by the issuance of 80,409,330 LionGold Shares at S\$0.8657 per share. The takeover bid values SML at S\$69.6 million. Under the terms of the Implementation Deed, SML will use its best endeavours to procure the execution by certain SML shareholders of the Pre-Bid Agreements so that, in aggregate, LionGold would receive undertakings from SML shareholders holding approximately up to 19.9% of the Signature Shares.

LionGold will be tabling a bid offer document in the coming weeks for the consideration of Signature’s shareholders. LionGold will also be convening an Special General Meeting to seek approval from its shareholders on this general offer.

Signature’s Flagship Asset - Konongo Gold Project

Listed on the ASX, Signature is an emerging gold producer with a flagship asset, the Konongo Gold Project in the world class Ashanti Gold Belt of Ghana. Signature holds 70% of the Konongo Gold Project with historic production of over 1.6 million oz and current JORC resources of 1.5 million. The project comprises 192km² of granted tenure and contains 16 known gold deposits along 12 kilometres of strike of the Ashanti Gold Belt.

The project currently has **JORC compliant resources of 23.4 million tonnes at a grade of 1.95g/t in the Indicated and Inferred categories for a total of 1.47 million oz Au.**



¹ LionGold Corp Ltd is formerly known as “The Think Environmental Co Ltd”

Additionally, significant infrastructure is installed and operational on site including a 350ktpa CIL (Carbon In Leach) plant. Signature's long-term aim is to develop the Konongo Gold Project into a 100,000 oz plus per annum gold producer, exploiting open pit ore from the existing JORC Resources of over 1.5 million ounces.

Picture 1 : CIL (Carbon In Leach) Plant in Operation at Konongo Gold Project



A Strategic Fit Offering Strong Development Potential

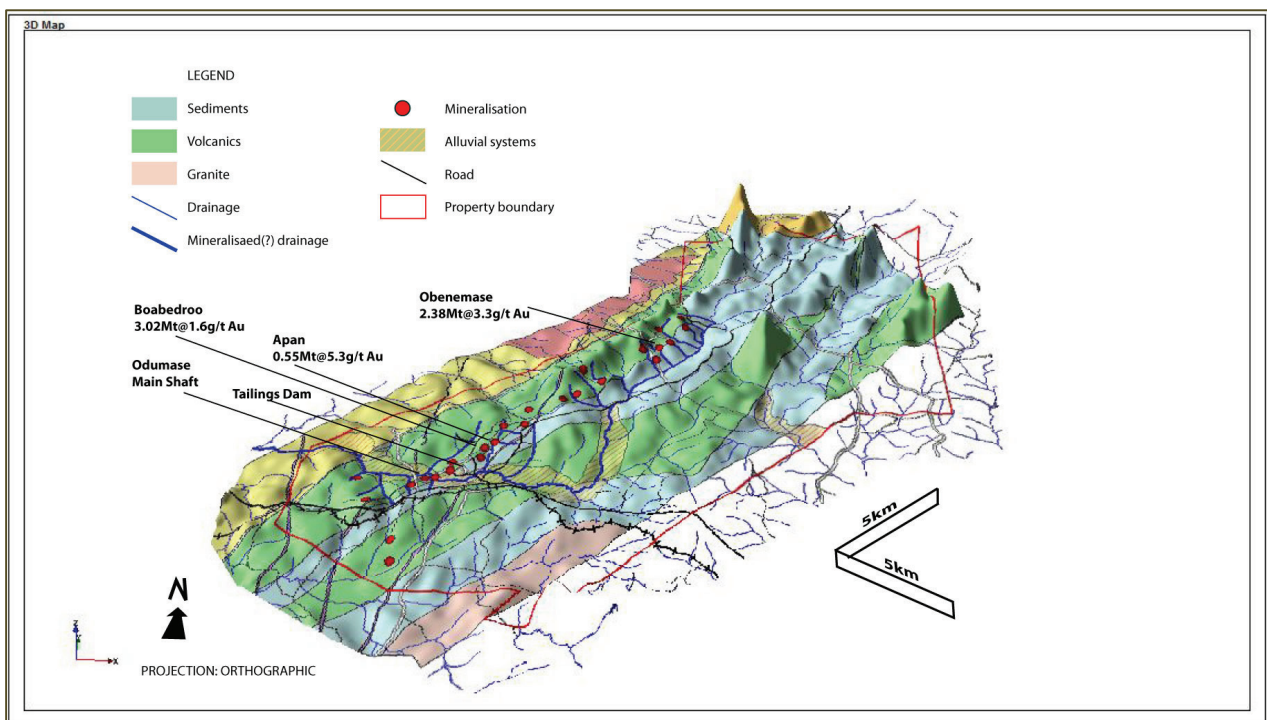
From LionGold's perspective, the proposed offer for Signature Metals Limited ("Signature") is a strategic fit with LionGold's KPIs for gold production and a ready base of JORC compliant resource.

"LionGold believes there is strong development potential in this acquisition. Signature has focused their efforts on open pit mining and has established 1.47 million oz au of JORC compliant indicated and inferred resources. LionGold sees rapid growth potential both in the JORC resource and reserve base and in production. LionGold technical team with strong expertise in both alluvial mining and underground mining has identified exciting opportunities for these that have not been the focus of the Signature team. The Signature offer is our biggest acquisition to date and rightly so. This is an ideal acquisition that adds tremendous value to shareholders," Tan Sri Dato Nik Ibrahim Kamil, Executive Chairman and Group CEO of LionGold Corp Ltd remarked.

Emphasising his confidence in LionGold's rapid growth strategy, Matthew Wood, Chairman of Signature Metals Limited said ***"We are impressed with LionGold's ambition to create a mid tier gold producer based out of Singapore and are very happy that Signature shareholders have been offered the opportunity to be part of this golden future."***

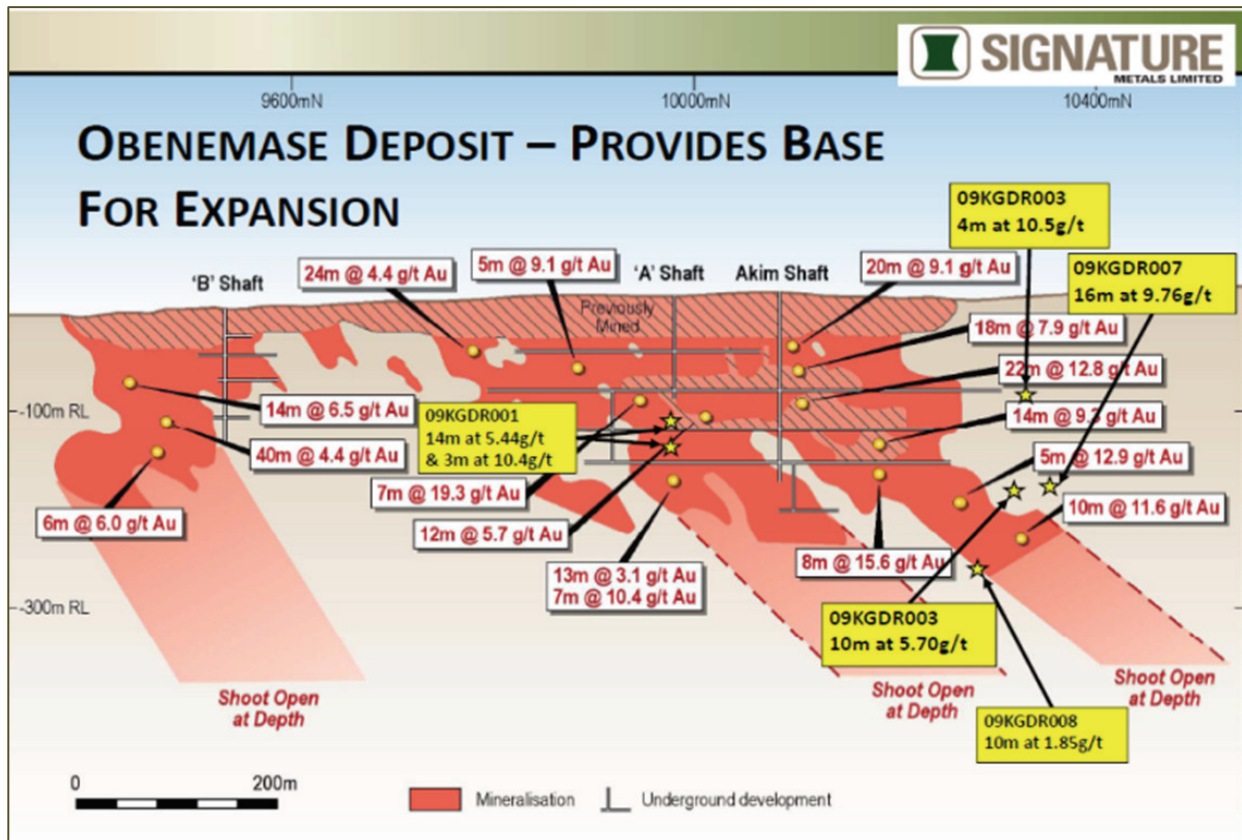
Geological Assessment Unearths Targets in Both Alluvial and Hard Rock Resource

LionGold’s geological assessment of alluvial potential at Konongo Gold Project has identified the presence of extensive, alluvial gravels draining from the mineralized belt. These alluvial deposits provide an immediate targetable resource.



Picture 2 : Orthographic Projection of Alluvial Potential On Konongo Gold Project

LionGold is also encouraged by the high-grade underground mining potential. Drilling has shown the continuation of wide, high-grade ore below the historic mining. Other mines in the district have mined to depths of greater than 1000m, with similar grades to the ore historically mined at Konongo, while Konongo has only mined to 340m below surface.



Picture 3 : Obenemase Deposit – Provides Base For Expansion

The existence of substantial geological datasets, that have not yet all been captured and analysed using modern techniques presents significant opportunity to identify additional hard rock and surface mineralisation with minimal exploration expenditure. The Group believes that the existing resource could be readily expanded, and the excellent infrastructure allows for rapid growth in production from a number of sources.

- End -

For media and investor enquiries, please contact

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About LionGold Corp Ltd (Bloomberg Code: LIGO:SP / Reuters Code: LION:SI)

LionGold Corp Ltd (formerly known as “The Think Environmental Co Ltd”) is a Main Board SGX listed investment holding company focused on investing in and managing businesses that are engaged in the acquisition of gold mining licenses and development of these licenses into physical production. The Group currently owns or has interests in 17 mining licenses in 4 countries globally – Mali, Ghana, Mongolia and the Philippines. The Group has adopted a two-pronged strategy for its gold mining efforts. First, an acceleration strategy to transform each artisanal and small-scale mine into commercialized mining operation. Second, the Group has put in place a continuous process of amassing more of these licenses in known gold-rich regions.

The Group is in the midst of a corporate transformation that is aimed at investing in and managing entities for the exploration for and exploitation of precious and other minerals, and natural resources. In addition to its Gold mining investments, the Group continues to have investments in renewable energy and an office equipment business. Its renewable energy business is primarily in Industrial Power Technology Pte Ltd (IPT), a leading turnkey supplier of biomass power plants in Southeast Asia whilst its office equipment business is located in the PRC.

For more information visit : www.liongoldcorp.com

About Signature Metals Limited (Bloomberg Code : SBL:AU)

Signature Metals owns a 70% stake in the multi million ounce Konongo Gold Project located in the world class Ashanti Gold Belt of Ghana, as well as Signature Metals controlling large exploration licences and applications in Kenya and Uganda that are prospective for iron ore, nickel and copper.

The Konongo Gold Project is situated in the Ashanti Gold Belt, which hosts the world class Obuasi Gold Deposit, operated by AngloGold Ashanti Limited, and the Prestea/Bogosu deposits which are currently being mined by Golden Star Resources Limited. Obuasi is located approximately 50 kilometres from the Konongo Project and contains resources of 33 million ounces of gold and past production exceeding 22 million ounces of gold. The Prestea/Bogosu deposits have current resources of six million ounces of gold and have historically produced approximately eleven million ounces of gold. Both the Obuasi and Prestea/Bogosu deposits are similar in terms of geological setting and mineralisation styles to the deposits found within the Konongo Gold Project.

Gold was discovered on the Konongo Gold Project at the Obenemase Deposit in 1903. Between discovery and 1997 approximately 4.4 million tonnes of ore was treated from the project for approximately 1.6 million ounces of gold at a recovered grade of 11.8g/t Au. Most of this production was carried out between 1932 and 1984, with underground mining to a depth of 344 metres from five shafts. A number of small, shallow oxide deposits were mined between 1988

and 1997. Exploration since this date has included an airborne geophysical survey and over 30,000 metres of RC and diamond core drilling, as well as 7,000 meters of trenching. A 350ktpa CIL plant is currently operational to treat a tailings resource at a grade of 1.6g/t. Crushing facilities are being commissioned that will allow the treating of a large stockpile of oversize ROM ore that remains from previous open pit mining, the combined ore is expected to yield a milling grade of around 2.5g/t.