Signature Resources Announces $1.42 Million Flow Through Deal Backstopped by Crescat Capital LLP

written by Raj Shah | March 18, 2021

March 18, 2021 (Source) – Signature Resources Ltd. (TSXV: SGU, OTCQB: SGGTF, FSE 3S3) ("Signature" or the "Company") is pleased to announce that it has closed on a non-brokered charity flow through private placement for 9,090,909 shares at a price of CAD$0.156 per share for gross proceeds of approximately CAD$1.42 million (the "Offering"). It is important to highlight that the pricing for the Offering was consummated in early February which represented a premium of over 40% to Signature's share price at that time. Proceeds will be used for flow through exploration at Lingman Lake Gold Project where ~2,500 metres of drilling has commenced. The shares issued in the Offering will qualify as "flow-through shares" (within the meaning of the *Income Tax Act (Canada)).*

Highlights:

- **Crescat Capital LLP ("Crescat") is a Denver based hedge fund that has experience investing in gold exploration companies.**
- **As a result of this investment, Crescat will retain a right to participate in any future financing on a pro-rata basis of their ownership in Signature.**
- **Signature's approved and fully funded exploration budget of ~2,500 metres with 13 holes testing multiple sub-vertical parallel zones has commenced.**
- **Drilling is designed with the intent of conducting step**

out drill holes and is planned to expand the known mineralization to the west and down dip using the Company's 100% owned diamond drill rig.

"We are very pleased that Crescat Capital has decided to join Signature Resources on this exciting journey as a valued shareholder. We look forward to building on this newly formed relationship as we test both the extent of the historic resource but also the vast regional district potential that we see at the Lingman Lake Gold Project. We appreciate the kind and supportive commentary made by Crescat Capital during their recent webcast[1]."

Robert Vallis, P.Eng.,MBA – President, CEO, and Director

The use of proceeds will be focused on flow through eligible exploration efforts at the Lingman Lake Gold Project in Ontario.

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons unless registered or exempt therefrom.

About Signature

The Lingman Lake gold property consists of 1,066 crown claims, four free hold full patented claims and 14 mineral rights patented claims totaling 1,084 total claims, approximately 20,124 hectares or 202 square kms. The property hosts an historical estimate of 234,684 oz of gold* (1,063,904 tonnes grading 6.86 g/t with 2.73 gpt cut-off) and includes what has historically been referred to as the Lingman Lake Gold Mine, an underground substructure consisting of a 126.5-meter shaft, and 3-levels at 46-meters, 84-meters and 122-meters depths.

*This historical resource estimate is based on prior data and reports obtained and prepared by previous operators, and information provided by governmental authorities. A Qualified Person has not done sufficient work to verify the classification of the mineral resource estimates in accordance with current CIM categories. The Company is not treating the historical estimate as a current NI 43-101 mineral resource estimate. Establishing a current mineral resource estimate on the Lingman Lake deposit will require further evaluation, which the Company and its consultants intend to complete in due course. Additional information regarding historical resource estimates is available in the technical report entitled, "Technical Report on the Lingman Lake Gold Property" dated January 31, 2020, prepared by John M. Siriunas, P.Eng. and Walter Hanych, P.Geo., available on the Company's SEDAR profile at www.sedar.com.

To find out more about Signature Resources Limited, visit our website at www.signatureresources.ca, or contact:

Jonathan Held
Chief Financial Officer
416-270-9566

Cautionary Notes

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

This news release contains forward-looking statements which are not statements of historical fact. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by

such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, use of any private placement proceeds raised, final acceptance of regulatory filings by the TSX-V, the Company’s objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions and risks associated with infectious diseases, including COVID-19. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to changes in general economic and financial market conditions, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of

projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

---

[1] Note that the Lingman Lake Gold Project was historically in pre-development and never entered commercial production during the 1940's.