

Signature Resources Appoints Paolo Lostritto as Chairman of the Board and Equity Financing

written by Raj Shah | November 9, 2020

November 9, 2020 ([Source](#)) – Signature Resources Ltd. (TSXV: SGU, OTCQB: SGGTF, FSE 3S3) (“Signature” or the “Company”) is pleased to announce the appointment of Paolo Lostritto as the Chairman of the Board.

Paolo Lostritto has an extensive background in mining capital markets and working with companies across the globe since 1997. Paolo has helped assess different companies/projects and helped finance them as they advanced through exploration, development, and production. Some of the companies where Paolo was involved early include: Kirkland Lake Gold, Novagold and Lake Shore Gold in 2004, Romarco Minerals in 2006, Victoria Gold and Volta Resources in 2009. Mr. Lostritto is currently serving on the Board of Blue Thunder Mining Corporation, which is focused on gold exploration in Quebec near the recently discovered Nelligan deposit. Paolo is a cofounder and board member of Interstellar Mining Inc which is focused on leveraging a leading Canadian space mining robotics group (Deltion Innovations Ltd.) along with Watts, Griffis, and McOuat Ltd.’s space mining group to develop and produce energy commercially for the rapidly growing space industry. Over his career, Mr. Lostritto was a Director of the Mining Equity Research at National Bank Financial and worked in equity research at Wellington West, Scotia Capital and TD Securities. He served as an Independent Director at Savary Gold Corp. which was sold to SEMAFO in 2019. Mr. Lostritto holds a Bachelor of Applied Science in Geological and Mineral Engineering in Rock Mechanics from the University of Toronto and

he is a registered Professional Engineer in the Province of Ontario.

"I have been following Signature Resources' exploration work at Lingman Lake over the past four years with great interest. I believe the company has an asset base that is under appreciated by the market and now that the Provincial Government is building better road and power access to the region, the story is ready to be told. There is ample evidence of exceptional gold grades, mineralized thickness and tremendous exploration potential that warrant follow up work. The potential over the 23 km belt is very compelling and reminds me of several successful gold belts in the Canadian Shield that have attracted interest from major mining companies. I look forward to working with the team to generate shareholder returns as a function of advancing the project in the near-future."

Paolo Lostritto, P.Eng – Chairman of the Board

"We have known Paolo for a number a number of years now, and have always appreciated his strategic guidance. We are honoured to have such an experienced finance professional join our team as Chairman of our board of directors and gaining access to his networks will help us progress our Lingman Lake property to the next level."

Walter Hanych – President & CEO

Equity Financing:

The Company is also announcing a non-brokered private placement of flow-through units (the "FT Units") and non-flow-through units (the "NFT Units") for gross proceeds of up to \$1,000,000 (the "Offering").

Each FT Unit is being offered at a price of C\$0.06 and will be comprised of one common share of the Company and one half non

flow-through common share purchase warrant (a "Warrant"). Concurrently, NFT Units will be offered at a price of \$0.05 per NFT Unit consisting of one common share and one common share purchase warrant. One common share purchase warrant from the FT Units or the NFT Units will entitle the holder to purchase one non flow-through common share of the Company at a price of \$0.10 for a period expiring 12-months following the closing date of the Offering.

The net proceeds from the Offering will be used for general corporate purposes but primarily used for exploration work at the Company's Lingman Lake Gold Project. Concurrent with the financing, the Company plans on settling a number of outstanding accounts payable so as to focus funding efforts on drilling and advancing the project.

Stock Options

The Company has also granted 3,000,000 incentive stock options to Mr. Lostritto as a result of his appointment. The options shall have an exercise price of \$0.065, expire five years from the date of issuance, and shall vest 25% immediately, and 12.5% ever six months thereafter through to the third anniversary.

Share for Debt

The Company is also pleased to announce that it has entered into debt settlement agreements with certain creditors of the Company, including certain directors and officers. Pursuant to these agreements, the Company has agreed to issue 5,839,093 common shares at a deemed price of \$0.05 per common share to settle \$291,955 of outstanding debt (collectively, the "Shares for Debt Transactions"). Upon completion of the Shares for Debt Transactions, it has also been agreed that an additional \$79,100 of debt shall be forgiven.

The completion of the Shares for Debt Transactions is subject to

a number of conditions, including the approval of the TSX Venture Exchange. All securities issued pursuant to the Shares for Debt Transactions will be subject to a hold period of four months and one day from the date of issuance, in accordance with applicable securities legislation.

The Shares for Debt Transactions involving directors of the Company will, in each case, constitute a “related party transaction” under Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). The Company intends to rely on the exemptions from the valuation and the minority approval requirements of MI 61-101 provided for in subsections 5.5(a) and 5.7(a) of MI 61-101, respectively, as the fair market value of the subject of, and the consideration paid in the Shares for Debt Transactions, in each case, in relation to the interested parties, will not represent more than 25% of the Company’s market capitalization, as determined in accordance with MI 61-101. The participation by directors in the Shares for Debt Transactions has been approved by directors of the Company who are independent in connection with such transactions. A material change report will be filed less than 21 days before the closing date of the transactions contemplated by this news release. The Company believes this shorter period is reasonable and necessary in the circumstances as the Company wishes to improve its financial position by reducing its accrued liabilities as soon as possible.

Potential Share Consolidation

In an effort to rebalance the corporate capital structure, the board of directors are planning to explore a potential share consolidation at the next Annual General Meeting.

About Signature

The Lingman Lake gold property consists of 622 staked claims, four free hold full patented claims and 14 mineral rights

patented claims totaling approximately 12,148 hectares. 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:

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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, success of funding including closing of any proposed private placements and proceeds therefrom, 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. 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.