

TORONTO, ONTARIO--(Marketwired - Jul 5, 2016) - [Signature Resources Ltd.](#) (TSX VENTURE:SGU)(OTC PINK:SGGTF) ("Signature" or the "Company") is pleased to announce that effective July 5, 2016 it has closed the first tranche of its previously announced non-brokered private placement, pursuant to which it has raised aggregate gross proceeds of \$466,794 (the "Financing"), and the exercise of the option over the East Lingman Lake property (the "Acquisition"), a contiguous group of 12-claims surrounding the Company's historic high grade Lingman Lake property.

Pursuant to the Financing, the Company issued an aggregate of 9,335,880 units ("Units") at a price of \$0.05 per Unit. Each Unit consisted of one (1) common share ("Common Share") and one (1) common share purchase warrant ("Warrant"). Each Warrant is exercisable to acquire one (1) Common Share at a price of \$0.15 for a period of 24 months following closing of the Financing, provided that if after four (4) months and one (1) day following the closing of the Financing, the closing price of the Company's Common Shares on the TSX Venture Exchange (the "TSXV") is equal to or greater than \$0.25 for 10 consecutive trading days, then the Company may accelerate the expiry date of the Warrants by disseminating a press release and in such case the Warrants will expire on the 90th day after the date on which such press release is disseminated by the Company (the "Acceleration Clause"). In connection with the Financing, the Company paid a cash finder's fee of \$24,544 and issued 490,870 finder's warrants (the "Finder's Warrants") to Mr. Sonesh Sira. Each Finder's Warrant is exercisable to acquire one (1) Common Share at a price of \$0.05 for a period of 24 months following closing of the Financing, subject to the Acceleration Clause.

Use of proceeds from the Financing will be used for general corporate and working capital purposes, and for the continued exploration of the Company's Lingman Lake property. All of the securities issued in connection with the Financing are subject to a four month hold period. Directors and officers of the Company acquired 500,000 Units pursuant to the terms of the Financing, for aggregate gross proceeds to the Company of \$25,000. The first tranche of the Financing forms part of a larger offering to raise gross proceeds of up to \$1,000,000. The Company expects to close an additional tranche in the near future and will provide additional updates as they become available.

With respect to the Acquisition of the East Lingman Lake property, Signature had until December 31, 2016 to exercise the option. Overdue amounts originally due to the vendor of the property on June 30, 2014, 2015, and 2016 have accrued interest at a rate of 6% per annum, for a total of \$36,559, with such amount payable through the issuance of Common Shares upon closing of the option exercise. The completion of the Financing provided the Company with the ability to meet the final conditions of the TSXV to close the Acquisition. In connection with the option exercise, the Company issued (a) 12,731,178 Common Shares to the vendors of the property, and (b) 1,500,000 Common Shares to European Metals Corp., a predecessor holder of the underlying option.

Mr. Walter Hanych, Chief Executive Officer of the Company, commented, "We are very pleased to close the first tranche of our Financing and meeting all of the conditions imposed by the TSXV to secure the East Lingman Lake property. With this acquisition, the Lingman Lake Gold Mine, which hosts a historical estimate of 234,684 ounces of gold* has finally been consolidated under our Company. Signature is excited to move forward with its exploration of its high grade Lingman Lake property this summer."

Together with the Company's original four free hold patented claims and the twelve staked claims, an aggregate of 606.8 hectares comprises the Lingman Lake Property. The Lingman Lake Property hosts an historic resource 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.

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.

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such.

** Cautionary Note. The quantity reported as 'historical' estimate is historic in nature. A qualified person has not done sufficient work to classify the historical estimate as a current resource estimate. The Company is not treating the historical estimate as a current resource estimate.*

Contact

[Signature Resources Ltd.](#)

Walter Hanych

Chief Executive Officer

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