

Signal Gold Provides an Update on the Point Rouse Project

25.10.2022 | [ACCESS Newswire](#)

TORONTO, October 25, 2022 - [Signal Gold Inc.](#) ("Signal Gold" or the "Company") (TSX:SGNL)(OTCQX:SGNLF) is today announcing an update on the future activities at its Point Rouse Project in Newfoundland and Labrador, Canada ("Point Rouse", or the "Project"). As a result of the Company's primary focus on the development of its Goldboro Gold Project in Nova Scotia, the Company has decided it will not proceed at this time with the development of the Stog'er Tight Project as the development plan entails operational and execution risk over a limited mine life. Accordingly, the Company will begin winding down current operations as it approaches the completion of mining at the Argyle Mine, following which Point Rouse will be placed under a care and maintenance program.

While the Company is announcing a maiden Mineral Reserve Estimate for the Stog'er Tight Deposit as outlined further below, the current development plan entails operating risks relating to increased cost pressures and labour challenges that require further consideration. The Company will take the opportunity to review and optimize the Stog'er Tight mine plan to assess any future mining opportunities and will also review the exploration potential identified by a geophysical IP survey undertaken in early 2022. The Company is reaffirming its revised 2022 annual production guidance of 20,000 to 21,000 ounces of gold and expects the processing of Argyle ore to continue into early 2023 before transitioning to care and maintenance.

Based on the remaining forecast at Argyle, the Company has a financial plan which will ensure a proper severance and retention plan for impacted employees and will allow for the discharge of all trade payables and operating expenses and equipment leases. The Company will also continue ongoing progressive rehabilitation of the site, including the reclamation of tailings storage #1 and Argyle upon the completion of mining.

Signal Gold is also considering other strategic alternatives to maximize the value of its Newfoundland assets. Those assets include valuable infrastructure at the Point Rouse operation, including the Pine Cove Mill, the only permitted gold processing facility in Newfoundland; a permitted in-pit tailings facility with long-term capacity; and a deep-water port immediately adjacent to the processing complex. The Company also maintains ~15,000 hectares of highly prospective mineral property, including those adjacent to the past producing, high-grade Nugget Pond Mine at its Tilt Cove Gold Project.

"We have been mining gold at Point Rouse since 2010 and through the hard work and dedication of our employees, we have been able to extend the operation well beyond the original life of mine. While we have put in much effort advancing the potential development of the Stog'er Tight Project, in this fiscal environment the project's operating and execution risk must be thoroughly assessed given the Company's primary focus on the Goldboro Gold Project. Consequently, the Company has decided to hold off proceeding with development of Stog'er Tight at this time and will implement a plan to wind down its operations at Argyle in a safe and professional manner."

~Kevin Bullock, President and CEO, [Signal Gold Inc.](#)

Mineral Reserve Update for Stog'er Tight Deposit

The Company is also announcing a Mineral Reserve Estimate for the Stog'er Tight Deposit, prepared in accordance with National Instrument 43-101 ("NI 43-101"). The Mineral Reserve Estimate, with an effective date of September 30, 2022, is based on the NI 43-101 Mineral Resource Estimate for the Point Rouse Project with effective date of September 1, 2021 and covered in the technical report entitled "2021 NI 43-101 Technical Report, Mineral Resources and Mineral Reserve Update on the Point Rouse Project, Baie Verte, Newfoundland and Labrador, Canada." All currency is presented in Canadian dollars (C\$) and referenced as

"C\$" or "\$", unless otherwise stated.

The Mineral Reserve Estimate for the Stog'er Tight Deposit, which includes the Gabbro and 278 Zones, was prepared by Independent Qualified Person, Joanne Robinson, P.Eng., of BBA E&C Inc. ("BBA").

Table 1: 2022 Stog'er Tight Mineral Reserve Statement - Effective Date: September 30, 2022

Category	Classification	Tonnes	Gold Grade (g/t)	Contained Ounces
Gabbro Zone	Probable	486,000	1.65	25,800
278 Zone	Probable	240,600	2.63	20,300
Total		726,600	1.97	46,100

Notes on the 2022 Stog'er Tight Mineral Reserves

1. Mineral Reserves were prepared in accordance with NI 43-101 and the CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2019). The independent and qualified person for the Point Rouse Mineral Reserve Estimate, as defined by NI 43-101, is Joanne Robinson, P.Eng. of BBA E&C Inc.
2. The effective date of the 2022 Stog'er Tight Mineral Reserve Estimate is September 30, 2022.
3. The 2022 Stog'er Tight Mineral Reserve Estimate was derived from an ultimate pit shell analysis based on parameters from the pit shells used to constrain the Mineral Resource. The ultimate pit design was created using Surpac 2021™ mining software and running a volumetric report between this pit design and the most recently surveyed topographic surface from September 30, 2022.
4. 2022 Stog'er Tight Probable Mineral Reserves were estimated at a cut-off grade of 0.62 g/t gold and gold price of C\$2,000/oz (US\$1,550/oz) and are based only on Indicated Mineral Resource blocks.
5. Cut-off grade for Stog'er Tight was derived from Signal Gold's mining, processing, and general administration costs and process recovery at Point Rouse.
6. The reserve estimate is based on a constant mill recovery of 87% gold.
7. The reserve estimate includes an estimated 19.5 - 22.5% additional tonnes and 3.3 - 6.2% metal loss compared to the resource model because of regularizing the block model plus 15% external dilution and 5% mining loss.
8. Numbers may not add up due to rounding.

The Probable Mineral Reserve at the Stog'er Tight Deposit is 726,600 tonnes at an average diluted gold grade of 1.97 g/t and contains 46,100 ounces of gold at a strip ratio of 7.9 to 1 waste tonnes to ore tonnes, based on a cut-off grade of 0.62 g/t gold and gold price of CAD\$2,000/oz (US\$1,550/oz). The Mineral Reserve estimate is based on the Mineral Resource estimate for the Stog'er Tight Deposit with an Effective Date of September 1, 2021.

Under a conceptual 22-month life of mine, Stog'er Tight would produce approximately 40,100 ounces of gold based on an estimated average recovery rate of 87.0%. Stog'er Tight demonstrates positive cash-flow from operations with undiscounted pre-tax cash flows of \$9.45M, a pre-tax discounted NPV (5%) of \$7.92M with an IRR of 59%, and an after-tax NPV (5%) of \$5.63M with an IRR of 48%.

Stog'er Tight Mineral Resource^

The Stog'er Tight Mineral Resource was prepared by Independent Qualified Person, Glen Kuntz, P.Geo. of Nordmin. The Stog'er Tight Mineral Resource is based on validated results of 690 surface drill holes (506 diamond drill holes and 184 percussive drill holes), for a total of 37,584 metres of diamond drilling that was completed between 1988 and 2021 and the effective date of September 1, 2021. From these drill holes a total of 16,319 samples were analyzed for gold content. The Stog'er Tight Mineral Resource is defined at a 0.59 g/t gold cut-off and is based upon 1 metre assay composites using a variable gold grade cap. Mineral Resources at Stog'er Tight are constrained within two open pits at the Gabbro and 278 Zones using the pit shell parameters presented in Exhibit A below.

Table 2: 2021 Stog'er Tight Mineral Resource - Effective Date: September 1, 2021^

Deposit	Gold Cut-off (g/t)	Category	Tonnes	Gold Grade (g/t)	Gold Troy Ounces
Stog'er Tight 0.59		Indicated	642,000	3.02	62,300
		Inferred	53,000	5.63	9,600

Mineral Resource Estimate Notes

1. Mineral Resources were prepared in accordance with NI 43-101 and the CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2019). Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. This estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. Open pit Mineral Resources at Stog'er Tight are reported at a cut-off grade of 0.59 g/t gold that is based on a gold price of CAD\$2,000/oz (approximately US\$1,550/oz) and a gold processing recovery factor of 87%.
3. See Resource Pit Shell Parameters in Exhibit A below.
4. Assays for Stog'er Tight were capped on the basis of the three domain types Flat, Steep and Background.
5. SG was applied on a lithological basis after calculating weighted averages based on lithological groups.
6. Mineral Resource effective date September 1, 2021.
7. All figures are rounded to reflect the relative accuracy of the estimates and totals may not add correctly.
8. Reported from within a mineralization envelope accounting for mineral continuity.
9. Mineral Resources are inclusive of Mineral Reserves.
10. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Technical Report and Qualified Persons

The Technical Report prepared in accordance with NI 43-101 for the Point Rouse Project with Effective date September 30, 2022 will be filed on SEDAR in due course (www.sedar.com). Readers are encouraged to read the Technical Report in its entirety, including all qualifications, assumptions and exclusions that relate to the Mineral Resource. The Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context.

^The Point Rouse Mineral Resource Estimate with Effective Date September 1, 2021 is presented in the NI43-101 Technical Report entitled "2021 NI 43-101 Technical Report, Mineral Resource And Mineral Reserve Update On The Point Rouse Project, Baie Verte, Newfoundland And Labrador, Canada" Prepared by Independent Qualified Persons Glen Kuntz, P. Geo. and Joanne Robinson, P. Eng.; and Qualified Persons, Paul McNeill, P. Geo., Kevin Bullock, P. Eng., and Chris Budgell, P. Eng. Effective Date: September 1, 2021, Published: November 27, 2021.

The Mineral Reserve Estimate for the Stog'er Tight Deposit was prepared by Independent Qualified Person, Joanne Robinson, P. Eng., of BBA.

Qualified Person

Paul McNeill, P. Geo., VP Exploration with [Signal Gold Inc.](#), is a "qualified person" as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this news release.

ABOUT SIGNAL GOLD

Signal Gold is a TSX and OTCQX-listed gold mining, development, and exploration company, focused in the top-tier Canadian mining jurisdictions of Newfoundland and Nova Scotia. The Company is advancing the Goldboro Gold Project in Nova Scotia, a significant growth project subject to a positive Feasibility Study with

Probable Mineral Reserves of 1.15 million ounces of gold (15.80 million tonnes at 2.26 g/t gold), Measured and Indicated Mineral Resources inclusive of Mineral Reserves of 2.58 million ounces (21.6 million tonnes at 3.72 g/t gold) and additional Inferred Mineral Resources of 0.48 million ounces (3.18 million tonnes at 4.73 g/t gold) (Please see the 'NI43-101 Technical Report and Feasibility Study for the Goldboro Gold Project, Eastern Goldfields District, Nova Scotia' on January 11, 2022 for further details). Signal Gold also operates mining and milling operations in the prolific Baie Verte Mining District of Newfoundland which includes the fully permitted Pine Cove Mill, tailings facility and deep-water port, as well as ~15,000 hectares of highly prospective mineral property, including those adjacent to the past producing, high-grade Nugget Pond Mine at its Tilt Cove Gold Project.

FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" within the meaning of applicable Canadian and United States securities legislation, including the development of the Goldboro Gold Project, the care and maintenance of operations at the Argyle Mine, the consideration of strategic alternatives for the Company's Newfoundland operations, the mineral reserve and resource estimates for Stog'er Tight and projected production economics, and the filing of the related technical report. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Signal Gold to be materially different from those expressed or implied by such forward-looking information, including risks associated with the exploration, development and mining such as economic factors as they effect exploration, future commodity prices, changes in foreign exchange and interest rates, actual results of current production, development and exploration activities, government regulation, political or economic developments, environmental risks, permitting timelines, capital expenditures, operating or technical difficulties in connection with development activities, employee relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of resources, contests over title to properties, and changes in project parameters as plans continue to be refined as well as those risk factors discussed in Signal Gold's annual information form for the year ended December 31, 2021, available on www.sedar.com. Although Signal Gold has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Signal Gold does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

FOR ADDITIONAL INFORMATION CONTACT:

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Exhibit A

2021 Pit Shell Analysis Parameters

Parameter	Stog'er Tight
Currency Used for Evaluation	C\$
Block Size	3 m x 3 m x 3 m
Overall Slope Angle	Rock: Varied by Sector - R

Overall Slope Angle	Overburden: 25°
Mining Cost	\$4.66/ tonne mined
Process Cost: includes assumptions for milling, G&A, tailings, additional haulage to the mill	\$31.55/ tonne processed
Selling Cost: includes dore transportation, refining, and royalty	\$68.19 per ounce
Metal Price	US\$1,550 per ounce
	US\$1.00: C\$1.30
Metal Price	
Process Recovery	C\$2,000 per ounce
	87%
Mining Loss and Dilution	5% Each
Resources Used for Resource Pit Shell Generation	Indicated + Inferred
Pit Shell Selection	Revenue Factor RF 1.00 fo

SOURCE: [Signal Gold Inc.](#)

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