Signal Gold Provides Update to Non-Brokered Private Placement for up to $7.0 Million

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TORONTO, May 29, 2023 - Signal Gold Inc. ("Signal Gold" or the "Company") (TSX:SGNL)(OTCQX:SGNLF) is pleased to announce that due to strong interest in the exploration upside of the Goldboro Project and the potential scale of the Goldboro District, it is amending the terms of its non-brokered private placement (the "Offering") announced on May 4, 2024. The Offering is still to raise gross proceeds of up to approximately $7,000,000, which will now consist of (i) the 10,000,000 units of the Company (the "Units") at a price of $0.30 per Unit which closed on May 12, 2023; (ii) up to 6,124,625 "flow-through" units of the Company (the "FT Units") at a price of $0.32 per FT Unit; and (iii) up to 5,667,000 premium "flow-through" units of the Company (the "Premium FT Units") at a price of $0.36 per Premium FT Unit.

The Offering is expected to close in tranches, with the first tranche to close this week and the second tranche to occur on or around June 9, 2023.

"We are pleased with the significant interest in the private placement to pursue the opportunity for growth in the Goldboro District, in particular the potential for meaningful expansion to west of the existing Goldboro Deposit. In addition to increased institutional participation, including the substantial $3.0 million lead order for the Offering, we are also pleased to have participation from directors, senior management, and key project personnel. We look forward to closing the Offering the next couple of weeks and proceed with exploration programs which we believe will demonstrate that Goldboro has the potential to be one of the largest undeveloped gold deposits in eastern Canada."

~Kevin Bullock, President and CEO, Signal Gold Inc.

Each FT Unit and Premium FT Unit will consist of one common share to be issued as a "flow-through share" as defined in subsection 66 (15) of the Income Tax Act (Canada) and one-half of one common share purchase warrant to be issued on a non-flow-through basis (each whole common share purchase warrant, a "Warrant"). Each Unit consists of one common share and one-half of one Warrant. Each Warrant will entitle the holder thereof to purchase one common share of the Company (a "Warrant Share") at a price of $0.45 for a period of 18 months from the applicable closing date of the Offering. The Warrants will contain an acceleration clause whereby, after the expiration of the statutory hold period, if the common shares of the Company trade at a volume weighted average price of $0.75 or more for 10 consecutive trading days, the Company will have the right to accelerate the exercise period to a period ending at least 30 days from the date that notice of such acceleration is provided to the holders of the Warrants.

It is expected that the gross proceeds from the Offering will be primarily used to advance activities for development and exploration at the Goldboro Gold Project in Nova Scotia and for working capital and general corporate purposes.

Any securities to be issued under the Offering will be subject to a hold period of four months and a day from the applicable closing date of the Offering in accordance with the rules and policies of the Toronto Stock Exchange ("TSX"), and applicable Canadian securities laws and such other further restrictions as may apply under foreign securities laws. The Offering remains subject to the approval of the TSX.

As insiders of the Company will participate in the Offering, the Offering would constitute a "related party transaction" under applicable securities laws. The Company expects to release a material change report including details with respect to the related party transaction less than 21 days prior to the closing of the Offering, which the Company deems reasonable in the circumstances so as to be able to avail itself of potential financing opportunities and complete the Offering in an expeditious manner. As the related party transaction will not exceed specified limits and will constitute a distribution of securities for cash, it is expected that neither a formal valuation nor minority shareholder approval will be required in connection with the Offering.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

ABOUT SIGNAL GOLD

Signal Gold is a TSX and OTCQX-listed gold development and exploration company, advancing the Goldboro Gold Project in Nova Scotia, a significant growth project subject to a positive Feasibility Study which demonstrates an approximate 11-year open pit life of mine ("LOM") with average gold production of 100,000 ounces per annum and an average diluted grade of 2.26 grams per tonne gold. (Please see the 'NI 43-101 Technical Report and Feasibility Study for the Goldboro Gold Project, Eastern Goldfields District, Nova Scotia' on January 11, 2022, for further details). On August 3, 2022, the Goldboro Project received its environmental assessment approval from the Nova Scotia Minister of Environment and Climate Change, a significant regulatory milestone which enables the Company to commence site-specific permitting processes including the Industrial Approval and Crown Land Lease and Mining Lease applications. The Goldboro Project also has potential for further Mineral Resource expansion, particularly towards the west along strike and at depth. A future study will consider upgrading and expanding potentially mineable underground Mineral Resources as part of the longer-term mine development plan.

This news release has been reviewed and approved by Paul McNeill, P. Geo., VP Exploration with Signal Gold Inc., a "Qualified Person", under National Instrument 43-101 Standard for Disclosure for Mineral Projects.

FORWARD-LOOKING INFORMATION

This news release contains "forward-looking information" within the meaning of applicable Canadian and United States securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Offering, the timing for the closing of the remaining tranches of the Offering, the use of proceeds, the TSX acceptance of the Offering, and information with respect to the Feasibility Study, including LOM and potential production rates. 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, 2022, 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.

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