Shining a new light on the Lingman Lake Gold Project

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Deposit, location, management, and cash are four key factors when deciding to invest in an exploration company, and recent moves by Signature Resources Ltd. (TSXV: SGU | OTCQB: SGGTF) shine a new light on the Company.

Lingman Lake Gold Project

Signature already had a solid start with its Lingman Lake Gold Project. The property comprises the former producing Lingman Lake Gold Mine and two new early-stage exploration projects, Lingside West and Lingside East, that are believed to be extensions of the Lingman Mine deposit.

The Lingman Lake gold property is massive, consisting of approximately 12,148 hectares (over 30,000 acres), which is almost 23,000 football fields in size. The property cuts a 28-km-wide swath across the Lingman Lake Greenstone Belt, in northwestern Ontario, and Ontario continues to rank high as a safe jurisdiction for mining.

Greenstone belts often host economic mineral deposits and are well known for holding rich gold deposits. In Canada, one prolific example is the Abitibi Greenstone Belt, an area that spans eastern Ontario and western Quebec, and has produced over 100 mines and 170 million ounces of gold.

What Treasure does Lingman Lake hold?

Currently, the property hosts a historical resource estimate of over 234,000 ounces of gold (1.06 million tonnes grading 6.86 g/t Au). The old Lingman Lake Gold Mine has some existing

infrastructure, including a 126.5-meter shaft and three working levels. The historical resource estimate is based on prior data and reports obtained and prepared by previous operators and is not a NI 43-101 compliant resource.

Earlier this year, the Company issued an updated NI 43-101 technical report as it progresses to a future resource model on the project.

Adding to the Team

Former CEO Walter Hanych, who guided Signature for seven years, has shifted into the Head Geologist role and announced two new executives to propel the Company forward – Robert Vallis was appointed President, CEO, and Director, and Paolo Lostritto was appointed Chairman of the Board.

Robert Vallis is a 25-year veteran of the mining industry and most recently was Senior Vice President Corporate Development with Golden Star Resources Ltd. (NYSE American: GSS | TSX: GSC). Prior to that position, he was a Business Development executive at Yamana Gold Inc. (NYSE: AUY | TSX: YRI) for nearly nine years and worked on the $3.9 billion acquisition of Osisko and the US$395 million acquisition of Extorre Gold Mines Ltd.

Mr. Vallis commented, “I am very pleased and excited to have joined Signature Resources as President, CEO, and Director. The remarkable quality of the Company’s entire team and the high-grade Lingman Lake gold project present a significant opportunity to the Company and its shareholders with exceptional potential for rapid value growth.”

Paolo Lostritto has an extensive background in the Capital Markets, serving as President of Red Cloud Securities and previously he was a Senior Mining Analyst for over a decade at Octagon Capital, MGI Securities, Wellington West, and National

Bank. He was “pounding the table” about Kirkland Lake Gold Ltd. (NYSE: KL | TSX: KL) as far back as 2010 and we all know how that story turned into a $14.6 billion market cap behemoth.

Mr. Lostritto remarked, “I believe the company has an asset base that is underappreciated 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.”

Financings Strengthen Balance Sheet

To strengthen its balance sheet and fund exploration, the Company announced a non-brokered private placement to raise $1 million and a share-for-debt transaction to convert almost $300,000 of debt into 5.84 million shares.

Upward Pressure Continues to Build on Gold

Even with the recent COVID-19 vaccine announcements, the pandemic’s second wave continues to grow, forcing governments to implement new stay-at-home restrictions, severely denting the western economies. Public pressure on governments to pass new billion-dollar aid packages also raises inflation-related fears, helps to support the current gold price, and fuel speculation that it could go much higher.

Last week, two Goldman Sachs analysts wrote in a research report that gold prices should break out in 2021 as inflation worries increase demand and they forecasted gold could hit $2,300 per ounce, implying a jump of more than 20%.

If you think it’s time to add some gold exploration exposure to your portfolio, Signature could be a stock to add to your watch list.