

Signature Doubles Lingman Lake Land Package as it Launches Winter Drill Program

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Signature Resources Ltd. (TSXV: SGU | OTCQB: SGGTF | FSE 3S3) recently announced a sizeable increase to its Lingman Lake Project in north-western Ontario.

The company added 462 land claims to its existing package of land claims and now holds 1,084 claims, covering 201.24 sq. km (approximately 50,000 acres), up from 121.48 sq. km (over 30,000 acres). An image of the updated land position highlighting the recently added land claims is shown below.

Signature plans to start a regional exploration program beginning in the spring of 2021. The program will focus on following-up on previously completed exploration work identifying high-potential regional drill targets.

Walter Hanych, Chief Geologist of Signature, said, "The addition of 462 claims to Signature's Lingman Lake property, which cover complex structural domains beyond the all-important North Contact, has enhanced the district-scale potential of the Lingman Lake land package. We look forward to undertaking regional and targeted exploration programs to assess this potential in the upcoming field season"

Signature continues preparations for a 2,500-meter winter drill program in early March, focused on expanding the known zone of historic mineralizations to the west and to depth, with assay results expected 5-6 weeks later.

Lingman Lake Gold Project

The Lingman Lake property cuts a 28-km-wide swath across the Lingman Lake Greenstone Belt, in northwestern Ontario. Greenstone belts often host economic mineral deposits and are well known for holding rich gold deposits.

The Lingman Lake project is between Yamana Gold's Monument Bay Project (Indicated Resource: 1.79 million gold ounces at 1.52 g/t; Inferred Resource: 1.78 million gold ounces at 1.32 g/t) and Newmont's Musselwhite mine (Proven & Probable Reserves: 1.79 million gold ounces at 6.25 g/t) with 2021 production estimated at 200,000 gold ounces.

The Lingman Lake property contains the old Lingman Lake Gold Mine, with an historic estimate of over 234,000 gold ounces (1.06 million tonnes grading 6.86 g/t with 2.73 g/t cut-off), and two new early-stage exploration projects, Lingside West and Lingside East, that are thought to be extensions of the Lingman Lake Gold Mine deposit.

The old Lingman Lake Gold Mine, which operated from 1946-1949, has some existing infrastructure, including a 126.5-meter shaft and three working levels.

Previous High-Grade Drill Results

Previous drilling in 2018 returned high-grade results of 12.15 g/t gold over 9.5 meters, 13.65 g/t gold over 5.0 meters, and 17.87 g/t gold over 8.0 meters.

Importantly, the drilling was quite shallow, down to only 200 metres and the deposit is currently open in all directions. In the region, the grade often improves as the drilling extends deeper. Also, the drill results indicated the potential for a "stacked-pancake" style of mineralization, possibly leading to multiple zones of high-gold mineralization.

Building the Team

Since January, Signature has continued to build out a new team to advance the project.

In February, the company appointed Rickardo Welyhorsky as an advisor. Mr. Welyhorsky is a registered Professional Metallurgical Engineer with over 28 years of experience in various roles including Yamana Gold and Detour Gold.

Signature appointed John Hayes as an advisor in January. Mr. Hayes is a professional geologist with over 20 years of exploration experience followed by ten years of mining equity research work at BMO Capital Markets. Most recently, Mr. Hayes served in senior roles at Pretium Resources and Osisko Mining.

Final Thoughts

To fully fund the winter drill program and strengthen its balance sheet, the company completed a non-brokered private placement of \$1 million in December 2020 and a share-for-debt transaction that converted almost \$300,000 of debt into shares.

The Lingman Lake gold property is massive and Signature has now secured a district-wide project that contains a known deposit on a major structural zone with multiple gold showings and potential drill targets.

With a new team assembled that includes some industry veterans, expect Signature to continue to raise money to fund exploration with the goal of publishing a maiden NI 43-101 resource in the next 18 months, which would re-rate this junior mining company from its current market cap of C\$35.2 million.

Updated Lingman Lake Property Map



SOURCE: