
SIGNATURE METALS LIMITED

ABN 86 106 293 190

NOTICE OF GENERAL MEETING

TIME: 11:00am (AEDT)

DATE: Tuesday 31 March 2015

PLACE: Link Market Services Limited
Level 12, 680 George St
Sydney NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from a professional adviser prior to voting.

Should you wish to discuss the matters detailed in this Notice of Meeting please contact the Company Secretary on (+61 2) 8280 7445.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of Shareholders to which this Notice of Meeting relates will be held at 11:00am (AEDT) on Tuesday 31 March 2015 at:

Link Market Services Limited
Level 12, 680 George St
Sydney NSW 2000

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to the Company's share registry: Computershare Investor Services Pty Limited, GPO Box 242 Melbourne, Victoria 3001, Australia;
- (b) facsimile to: Computershare Investor Services Pty Limited on facsimile number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- (c) in person to: Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067.

so that it is received not later than 11:00am (AEDT) on Sunday 29 March 2015.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that a general meeting of Shareholders will be held at 11:00am (AEDT) on Tuesday 31 March 2015 at the offices of Link Market Services Limited, Level 12, 680 George St, Sydney NSW 2000.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 11am (AEDT) on Sunday 29 March 2015.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. REMOVAL OF THE COMPANY FROM THE ASX OFFICIAL LIST

That for the purposes of ASX Listing Rule 17.11, the Company's request for removal from the official list of ASX is authorised and approved by Shareholders, such removal to occur no earlier than one month after the date this resolution is approved and on a date to be determined by ASX, and that the Directors of the Company are authorised to do all things necessary to give effect to the removal of the Company from the official list of ASX.

DATED: 27 FEBURARY 2015

BY ORDER OF THE BOARD



**CATHERINE OFFICER
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting of Signature Metals Limited to be held at 11:00 am (AEDT) on Tuesday 31 March 2015 at the offices of Link Market Services Limited, Level 12, 680 George St, Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution in the Notice of Meeting.

1. REMOVAL OF THE COMPANY FROM THE ASX OFFICIAL LIST

1.1 GENERAL

On 6 February 2015 the Company applied to the Australian Securities Exchange (**ASX**) for the removal of the Company from the official list of ASX (**Official List**) under Listing Rule 17.11. The formal application was subsequent to ASX's in-principle decision in relation to the Company dated 29 January 2015 in which ASX advised that on receipt of an application from the Company for removal pursuant to Listing Rule 17.11, ASX would be likely to agree to the Company's removal, subject to compliance with the following conditions:

- a) The request for removal of the Company from the official list of ASX is approved by ordinary resolution of the shareholders of the Company;
- b) The removal of the Company from the official list of ASX does not occur any earlier than one month after shareholder approval has been obtained; and
- c) The notice of general meeting seeking shareholder approval for the removal sets out clearly the timetable that will be followed for the removal.

If Resolution 1 is approved then:

- The Company will be removed from the Official List and the Company's Shares will no longer be quoted on the ASX¹;
- The date of removal will be no earlier than one month after the date of shareholder approval. The likely date for removal of the Company from the Official List is 30 April 2015; and
- The Company and acquisition of its Shares will continue to be subject to regulation under the Corporations Act and the Company's Constitution.

The proposed delisting of the Company is considered by the Directors to be in the best interests of the Company for the reasons set out in this Explanatory Statement, refer in particular section 1.3.

The removal of the Company from the Official List will mean the Company will no longer be subject to the requirements of the ASX Listing Rules. These considerations are set out in more detail in section 2.5.

¹ The Company's shares have been suspended from quotation since July 2014, refer section 1.4.

1.2 Timetable for removal of the Company from ASX

The timetable for the proposed removal of the Company from the Official List is set out below.

Event	Date
Announcement of application for removal	5 February 2015
ASX conditional approval of application	13 February 2015
General Meeting	31 March 2015
Company removed from the Official List	On or about 30 April 2015

1.3 Reasons for seeking approval for removal from the Official List

The Directors have considered a range of factors in reaching their decision to recommend that Shareholders approve the Company's removal from the Official List. In forming their view, the Directors have considered matters including the most recent market price of the Shares and liquidity, the likelihood of raising capital from any party such as the majority shareholder, sophisticated or retail investors, and whether removal of the Company from the Official List will result in any substantial diminution of the protection for minority shareholders provided by the Corporations Act. The principal factors considered by the Board are as follows:

- (a) The market price of the Company's securities at the time of suspension of those securities from quotation on 1 July 2014 was \$0.001.
- (b) The market in the Company's shares prior to suspension of quotation was highly illiquid, with 230 trades in the rolling year trading for a total value of \$107,184, based on a price range of \$0.001 to \$0.002.
- (c) The Company has 1052 Shareholders, of whom 762 hold unmarketable parcels, based on the last trading price of \$0.001.
- (d) The Company released its annual report for the financial year ended 31 March 2014 (**Annual Report**) on 27 October 2014. The Directors noted the following:
 - Loss from continuing operations after income tax for the period was \$27,940,868 and total comprehensive loss was \$36,067,038;
 - The Company continues to rely on the unsecured loan facility of US\$50million from its majority shareholder LionGold Corp (**LionGold**), of which approximately US\$14.9million was undrawn as at 31 December 2014; and
 - The Company's mining operations at its Konongo Gold Project have been suspended, due to matters affecting LionGold's cash resources available to fund those operations
- (e) The Company also noted in relation to the annual report that its auditors PwC had issued a disclaimer of opinion in respect of the Company's financial statements for the year ended 31 March 2014, specifically

regarding the Company's ability to continue as a going concern. PwC noted that the Company is reliant on the availability of ongoing financial support from LionGold, and that LionGold's auditor had issued a disclaimer of opinion in relation to LionGold's ability to continue as a going concern.

- (f) Removal of the Company from the Official List will not result in any substantial diminution of the protection for minority shareholders provided by the Corporations Act.

1.4 Continued Suspension of the Company's Shares from quotation

The Directors have also considered the specific circumstances of the Company in relation to the ongoing suspension of the Company's shares from quotation. The Shares were suspended from quotation on 1 July 2014, due to the Company not lodging its annual report within the timeframe required by the ASX Listing Rules. Ordinarily, where a Company is removed from the Official List, this has the effect of an ASX market no longer being available for the Company's Shares, and thus no readily available indicator of a market price for those Shares. In this case, the Company's shares cannot be traded so there is no current indicator of the market price of the Shares.

It is the Directors' understanding that taking into account the Company's circumstances, including the matters raised by the Company's auditors in relation to the Company's Annual Report, ASX is not in a position to reinstate the Company's securities to quotation prior to any removal of the Company from the Official List. This means that it will not be possible to provide a means for Shareholders to sell or otherwise realise their securities in the lead-up to, and/or after removal from the Official List. The market for the Company's Shares will continue to be illiquid, and Shareholders will be responsible for finding a purchaser of the Shares should they wish to dispose of them. The Company is unable to provide any alternative arrangements for the sale/disposal of Shares at this time, but will continue to consider options that may be available to it, within the requirements of the Corporations Act.

1.5 Potential disadvantages of removal from Official List

Shareholders may perceive certain potential disadvantages associated with the Company's removal from the Official List, including the following.

Ability to sell shares and realise investment in the Company

There will no longer be the possibility for the Company's shares to be traded on ASX – as noted above the Company's shares have been suspended from quotation since July 2014 therefore this consideration is in large part hypothetical.

The fact that the Company is no longer listed may result in a perception that the Company's shares have less value

In general, investors are likely to ascribe a higher valuation to securities of a company that is listed on a recognised exchange. As noted in section 1.3, the market price of the Company's shares at the time of suspension from quotation in July 2014 was \$0.001, therefore the Directors do not consider that removal of the Company from the Official List would have any material effect on a valuation of the Company's shares.

After removal from the Official List, the Company will have more limited means by which it can raise capital by the issue of securities

An unlisted company is not generally able to raise capital via the issue of securities using limited disclosure fundraising documents. Therefore, if the Company wished to raise capital it would have to do so either by way of an offer of securities under a full-form prospectus or by way of a placement to sophisticated and professional investors. Given the Company's circumstances, including its continued reliance on funding from its substantial shareholder, the Directors do not believe that a capital raising is feasible and does not intend to undertake a capital raising in the short to medium term.

The requirements of the ASX Listing Rules will no longer apply to the Company

These matters are outlined in detail in section 2.5.

1.6 Substantial Shareholder – LionGold Corporation

LionGold currently holds 76.86% of the Company's ordinary shares. LionGold has indicated that it supports the Company's application for removal from the Official List.

1.7 Board & Management

Approval of the Company's removal from the Official List is unanimously recommended by the Board. The Company's Board of Directors is as follows:

Raymond Tan	Non-Executive Chairman
Denis Clarke	Non-Executive Director
Roland Selvanayagam	Non-Executive Director
Peter Chen	Executive Director

Mr Tan is the acting Group Chief Executive Officer, Group General Counsel, Executive Director and Company Secretary of LionGold.

Dr Clarke is a non-executive director of LionGold.

Mr Selvanayagam is a non-executive director of LionGold.

Mr Chen is Director, Business & Corporate Development, for LionGold.

Chris Gbyl is the Company's Chief Executive Officer. Mr Gbyl is the Director of African Operations for LionGold.

None of the Directors hold shares in Signature Metals Limited, either directly or indirectly.

2. Removal from Official List – Effects

- 2.1. Subsequent to removal from the Official List, the Company will continue to conduct its (currently limited) operations as usual, and does not intend to change its activities in the short to medium term.
- 2.2. The Board does not consider that the proposed removal from the Official List will have any direct adverse effect on the financial position of the Company – as noted above there are ongoing costs associated with listing and the Company expects to save a minimum of approximately \$34,000 in listing and registry fees per annum (based on the most recent market price of the Shares).

2.3 As outlined above, the Company's sole source of funding at this time is the unsecured loan facility from its majority shareholder LionGold, of which US\$14.9million remained undrawn as at 31 December 2014. The Company has no plans to raise capital, taking into account the current circumstances of the Company.

2.4 The Company will remain a public company and be subject to continuous disclosure obligations. The Company's corporate governance practices and procedures will be retained or adjusted to take account of the Company's unlisted status.

2.5 **ASX Regulation**

Upon its removal from the Official List, the Company will no longer be subject to a range of Listing Rule requirements, which include (but are not limited to) the following:

Quarterly Reporting

Signature will not be required to complete and lodge quarterly reports in relation to its cash-flow and its activities under Listing Rule 5.1. The Company will be required to lodge annual and half-yearly reports and financial statements under the Corporations Act.

Changes in capital & new issues exceeding 15% of capital

The Company will no longer be subject to the provisions of Listing Rule 7.1 which requires that the prior approval of shareholders be obtained for an issue of equity securities that results in an aggregate total when combined with any other ordinary securities issued during the previous 12 months of more than 15% of the total number of ordinary securities on issue at the commencement of the relevant period.

Transactions with persons of influence

Signature will not be required to seek shareholder approval of transactions relating to the acquisition or disposal of a substantial asset involving a director, other related parties or shareholders holding more than 10% of Shares under Listing Rule 10.1. Signature will not be required to seek shareholder approval for the issue of Shares to directors and other related parties under Listing Rule 10.11.

The Company will continue to be subject to the requirements of Part 2E of the Corporations Act which provides for shareholder approval of any financial benefit to a director or other related party.

Significant transactions

Signature will not be subject to the provisions of Listing Rule 11.1 regarding change of nature and scale of activities, or Listing Rule 11.2 – change of main undertaking. These rules provide for shareholder approval of significant changes to a Company's assets, undertakings or activities in certain circumstances. As stated above, Signature has no current intention to change its activities or dispose of a major asset.

Continued application of the Corporations Act & the Constitution

The Company will remain subject to the Corporations Act, including the range of protections afforded to shareholders under the Act. Under the Corporations Act the following will continue to apply:

- (a) the Company will be required to lodge annual audited and half-yearly financial statements;
- (b) where the Company has 100 or more shareholders, the Company will be required to give continuous disclosure of material matters by filing notices with ASIC under section 675 of the Act;
- (c) Acquisition and control of Shares will be subject to the takeovers provisions of the Act; and
- (d) Any substantial shareholder of the Company will be required to give notice to the Company and ASIC of changes to their substantial shareholding/s.

The substance of the Constitution will not be affected in the event of the Company's removal from the Official List (other than any references to the Listing Rule will have no effect). There is no intention or proposal to amend the Constitution subsequent to any removal from the Official List.

Continuous Disclosure

As noted above, subsequent to any removal of the Company from the Official List, the Company's securities will constitute unquoted "enhanced disclosure" securities under the Corporations Act – this will mean that the Company will be required to lodge any information material to the price or value of its securities with ASIC as soon as practicable.

Although the Company will not be subject to the ASX Listing Rule continuous disclosure requirements, the Company will continue to be required to provide continuous disclosure of material information under the Act.

While the Company would no longer release material information on ASX or another market operator, any relevant information will be lodged with and available from ASIC.

Corporate Governance

Subsequent to any removal of the Company from the Official List, the Company would review and amend its corporate governance policies and procedures, as those policies and procedures pertain to ASX requirements. This would include but not be limited to amendment of the Signature Trading Policy to remove references to Black-Out Periods, as that term is used in accordance with ASX requirements.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

GLOSSARY

\$ means Australian dollars.

General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Signature Metals Limited (ABN 86 106 293 190).

Constitution means the Company's constitution.

Corporations Act or **the Act** means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Official List means the Official List of ASX.

Proxy Form means the proxy form accompanying the Notice.

Resolution means the resolution set out in the Notice of Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

ENQUIRIES

Shareholders should contact the Company Secretary on (+ 61 2) 8280 7445 if they have any queries in respect of the matters set out in these documents.

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 11:00am (AEDT) Sunday, 29 March 2015

How to Vote on the Item of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite the item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on the item your vote will be invalid.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions


STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Signature Metals Limited hereby appoint

☐

the Chairman
of the Meeting **OR**

 **PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Signature Metals Limited to be held at Link Market Services Limited, Level 12, 680 George Street, Sydney, NSW on Tuesday, 31 March 2015 at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

STEP 2 Item of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Resolution 1 Removal of the Company from the ASX Official List

For

Against

Abstain

☐☐☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /