Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

SIGNATURE METALS LIMITED

Name of entity

ABN	Quarter ended ("current quarter")
86 106 293 190	30 September 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from gold sales	4,471	4,471
1.2	Payments for (a) exploration and evaluation	(1,252)	(1,252)
	(b) development (c) production	(3,881)	(3,881)
	(d) administration	(560)	(560)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(1,221)	(1,221)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects	_	_
1.0	(b)equity investments	_	_
	(c) other fixed assets	_	_
	- Plant and equipment / refurbishment	(480)	(480)
1.9	Proceeds from sale of: (a)prospects	_	_
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Security deposits (refundable)	-	-
	Security deposits (refunded)	-	-
	Tenement rehabilitation bonds (refundable)	-	-
	Net investing cash flows	(480)	(480)
1.13	Total operating and investing cash flows (carried forward)	(1,701)	(1,701)

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⁺ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,701)	(1,701)
	(orought forward)		
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	807	807
1.17	Repayment of borrowings	=	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Fundraising costs	-	-
	Net financing cash flows	807	807
	Net increase (decrease) in cash held	(894)	(894)
1.20	Cash at beginning of quarter/year to date	997	997
1.21	Exchange rate adjustments to item 1.20	40	40
1.22	Cash at end of quarter	143	143

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	\$310k
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director consulting fees - \$21k Management consulting, strategic advisory and accounting services fee - \$289k

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated
	assets and liabilities but did not involve cash flows
	Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

reporting entity has an interest		
Nil		

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⁺ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

740
740
8,310
0
150
150
9,200 *
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^{*} The Company anticipates that operating and development costs for the next quarter will be funded by revenue from gold sales as discussed in the Quarterly Activities Report, with any shortfalls being funded through the loan facility from Liongold as announced to the ASX on 27^{th} July 2012.

Reconciliation of cash

show	nciliation of cash at the end of the quarter (as in the consolidated statement of cash flows) to lated items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	143	997
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	143	997

Changes in interests in mining tenements

6.1 Interests in mining tenements relinquished, reduced or lapsed

Nature of	Interest at	Interest at
interest	beginning	end of
(note (2))	of quarter	quarter
	interest	interest beginning

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6.2	Interests in mining tenements acquired or increased		

Issued and quoted securities at end of current quarterDescription includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	⁺ Ordinary securities	2,759,575,214	2,759,575,214		
7.4	Changes during quarter (a) Increases through issues - Placement - Pursuant to a prospectus - Option conversion* - Acquisition of Property (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options - Shareholder	333,333 9,000,000 17,000,000		Exercise price \$0.65 \$0.03 \$0.02	Expiry date 14/04/13 14/11/12 31/12/13

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⁺ See chapter 19 for defined terms.

7.8	Issued during quarter: - Shareholder			
7.9	Exercised during quarter*			
7.10	Expired during quarter	20,000,000	\$0.03	28/09/2012
7.11	Debentures (totals only)			
7.12	Unsecured notes (totals only)			

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Adrian Di Carlo Date: 31 October 2012

(Company Secretary)

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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