

**SIGNAL EXPLORATION INC.**  
**4550 PRIME STREET, NORTH VANCOUVER, BC, V7K 2R4**

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**SIGNAL EXPLORATION ANNOUNCES LETTER OF INTENT AND PRIVATE PLACEMENT**

July 11, 2016, Vancouver, B.C. - Signal Exploration Inc. (the “**Company**”) (**NEX-SNL.H**) is pleased to announce that it has executed a non-binding letter of intent (the "LOI") with TY & Sons Explorations (Nevada) Inc. ("TY & Sons") dated July 8, 2016, whereby the Company will be granted an option (the "Option") to acquire a 100% interest in TY & Sons' rights, title and interest in the East Fault Property, located in Esmeralda County, Nevada, USA (the "Property"), subject to, among other things, the parties negotiating; settling a formal definitive agreement regarding same. The Option will be exercisable by the Company making certain cash option payments and share option payments of common shares in the capital of the Company.

The Property is a 2,100 acre property which adjoins Pure Energy’s eastern border of their Clayton Valley property which has an inferred resource of 816,000 metric tonnes of lithium carbonate equivalent. The property is in the Esmeralda County area of Nevada, USA

The Property includes eleven kilometers (7 miles) of the East Fault, 3.5 kilometers (2.2 miles) of the E-2 Fault, and eight kilometers (5 miles) of the (projected) 1,000 meter bedrock depth gravity contour (See Pure Energy NI 43-101 Technical Report, July 17, 2015).

According to the 1986 paper titled “Origin of the Lithium-Rich Brine, Clayton Valley, Nevada” by Joseph R. Davis, et al, the “highest lithium concentrations are found in brines produced from the tuff where it abuts the faults and forms a structural trap for the dense brines.” The report goes on to state that the most lithium-enriched brines lie near the bounding fault on the eastern side of the basin.

Although gravity surveys have not yet been performed over most of the property area, projection from an available gravity survey covering the adjacent Pure Energy property and part of the Property indicate that the lithium beds may extend to the East Fault.

The Company also announces that it has arranged a non-brokered private placement of 2,266,666 units ("Units") at a price of \$0.15 per Unit, subject to NEX approval, for aggregate gross proceeds of \$340,000 (the "Offering"). Each Unit will be comprised of one common share ("Share") and one Share purchase warrant of the Company ("Warrant"). Each Warrant will entitle the holder to purchase one Share (a "Warrant Share") at an exercise price of \$0.30 per Warrant Share for a period of 12 months from the date of issuance. In the event that the closing price (or closing bid, if no sales were reported on a trading day) of the Company's Shares as quoted on NEX or such other securities exchange, quotation system or market on which the Shares are listed and where a majority of the trading volume of the Shares occurs) exceeds \$0.75 per Share for a price of ten consecutive trading days, the Company may, within five days of such event, provide notice by way of news release of early expiry, in which event the Warrants will expire 30 days from the date of such news release.

The Company may, in its sole discretion, pay a finder's fee to agents of the Company. The proceeds raised will be used for the Company's exploration expenditures and for general corporate purposes.

The above-described acquisition and Offering are each subject to NEX approval.

For more information, contact the Company at 778-998-4552.

**On behalf of the Board of Directors of  
SIGNAL EXPLORATION INC.**

*Barry Hartley*

Barry Hartley  
President, Chief Financial Officer and  
Director

*The TSX Venture Exchange has in no way passed upon the merits of this release and has neither approved nor disapproved its contents. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. Trading in the securities of the Company should be considered highly speculative.*