



ASX Code: **SEG**

30 March 2016

Market Announcements Platform
ASX Limited
Exchange Centre,
20 Bridge Street
Sydney NSW 2000

EXPLORATION UPDATE – PLUMRIDGE NICKEL PROJECT

Segue Resources Limited (**Segue** or the **Company**) entered into the Plumridge Nickel Joint Venture (**Plumridge JV**) with a subsidiary of international base metals company, MMG Limited (HKEx: 1208, ASX: MMG) (**MMG**) in late 2015. Under the Plumridge JV, MMG is earning an initial 51% interest in eight exploration licences at the Plumridge Nickel Project by investing \$6.5 million in exploration activity by December 2019 (**Stage 1**). MMG can increase its interest to 70% by investing an additional \$7.5 million within two years of completing Stage 1 (**Stage 2**).

In December 2015, MMG completed a high resolution in-fill gravity survey over four tenements within the Plumridge JV. The gravity survey consisted of over 6,000 stations on a 400m x 200m grid, to increase the gravity data coverage from 1,600m x 100m (completed by Segue in 2015). The newly acquired gravity data provided a significant increase in detail as shown in **Figure 1**.

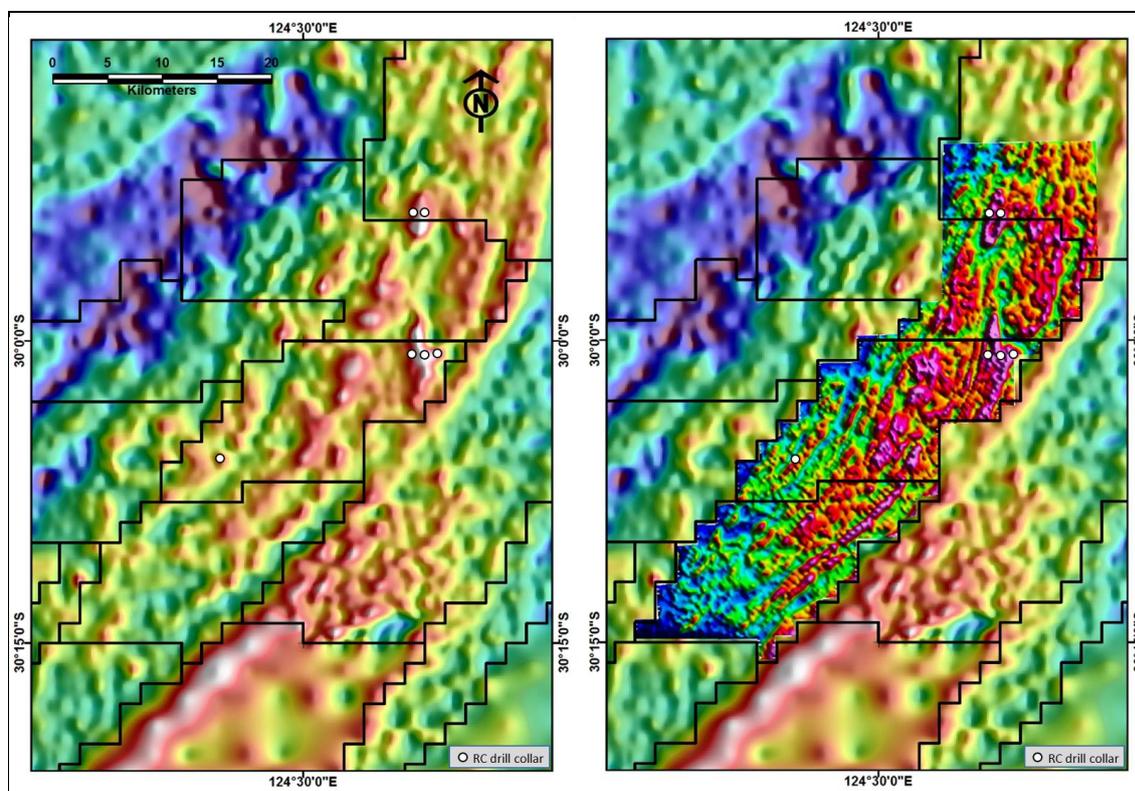


Figure 1: Bouguer 1VD gravity image (Segue 1,600m x 100m on left, MMG 400m x 200m on right)

MMG commenced Phase 2 of the high resolution gravity survey on 20 March 2016, with over 10,500 stations to be completed on a 400m x 200m grid over the remaining Plumridge JV area (**Figure 2**). MMG has four crews operating at the Plumridge JV and the gravity survey is expected to be completed by the end of April 2016.

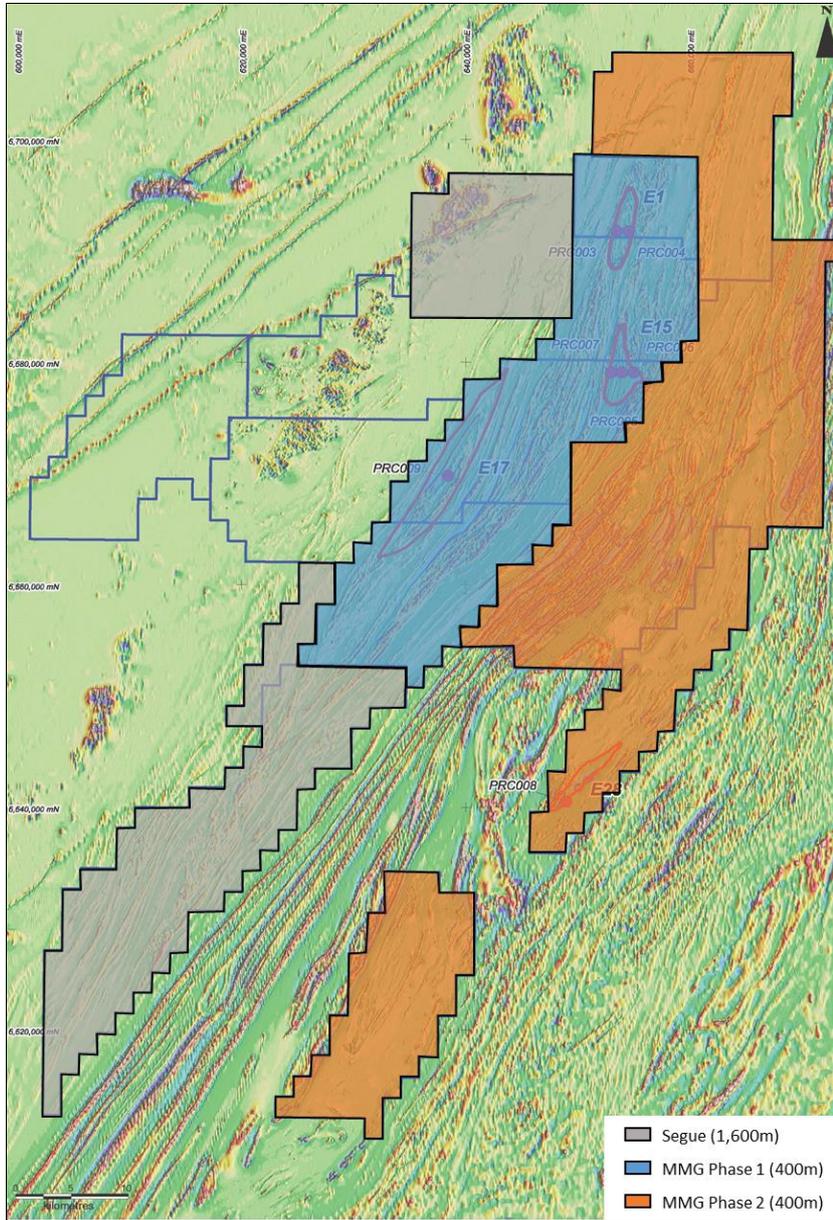


Figure 2: Segue and MMG gravity surveys over regional magnetics

Upon completion of the Phase 2 survey, approximately 80% of the Plumridge JV tenement package will be covered with high-resolution gravity data (400m line spacing) and the remaining 20% with 1,600m line spaced gravity data. MMG plans on merging the new gravity data with existing gravity, magnetic, drilling and geochemical data to identify potential Ni-Cu sulphide bearing mafic-ultramafic intrusions. The highest ranked anomalies will be selected for ground EM (moving-loop) to test for any conductive response associated with the anomalies, i.e. direct detection of potential massive Ni-Cu sulphides. Initial ground EM is expected to commence in 2Q 2016 and be completed by June/July 2016.

R&D Tax Incentive Rebate

Segue has been granted an R&D Tax Incentive for exploration work undertaken at the Plumridge Nickel and Plumridge Gold Projects. The Company expects to receive a tax rebate of approximately \$350,000 (after costs) in 2Q 2016.

The tax rebate will enable Segue to continue its exploration activities at the Plumridge Gold Project and Deralinya Project.

For further information visit www.segueresources.com or contact:

Segue Resources Limited

Mr Steven Michael

Managing Director

E: info@segueresources.com