

22 May 2017

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

## FURTHER GOLD ANOMALIES DEFINED AND DRILLING TO COMMENCE AT BARLEE GOLD PROJECT

Segue Resources Limited (**Segue** or the **Company**) is pleased to provide an update on the soil sampling programme completed at the Barlee Gold Project in the Southern Cross Region of Western Australia (**Figure 1**). Soil sampling has been completed on a 400m x 100m grid over the 14 gold targets identified through BLEG gold and pathfinder element sampling (**Figure 2**) (see announcement on 29 March 2017).



Figure 1: Project location map

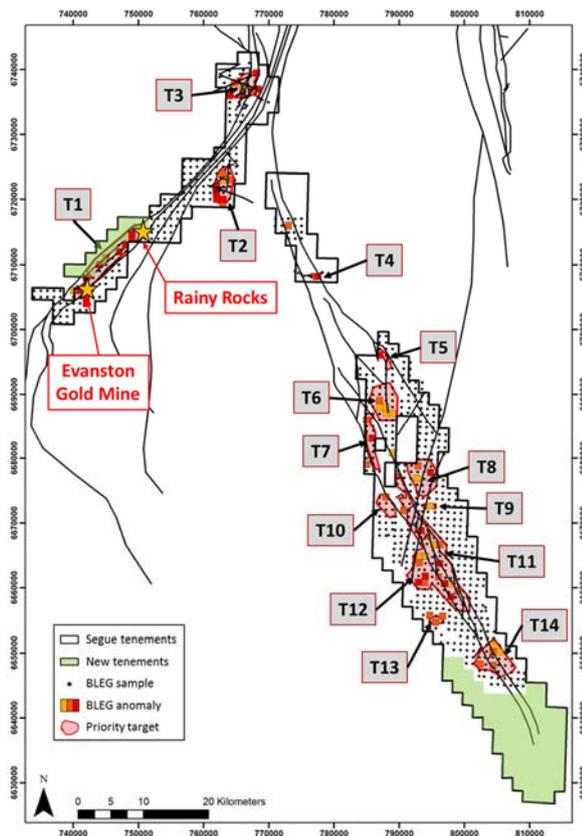


Figure 2: Project tenement map and exploration target areas

Soil sampling has now been completed over all targets with results from T1 – T7 received and T8 – T14 expected to be received by the end of May. The soil sampling has delineated significant anomalies from T2, T6 and T7, which complement the previously announced results from T1 (see announcement on 4 May 2017) which reported soil anomalies over three discrete gold prospects (**Figure 3**).

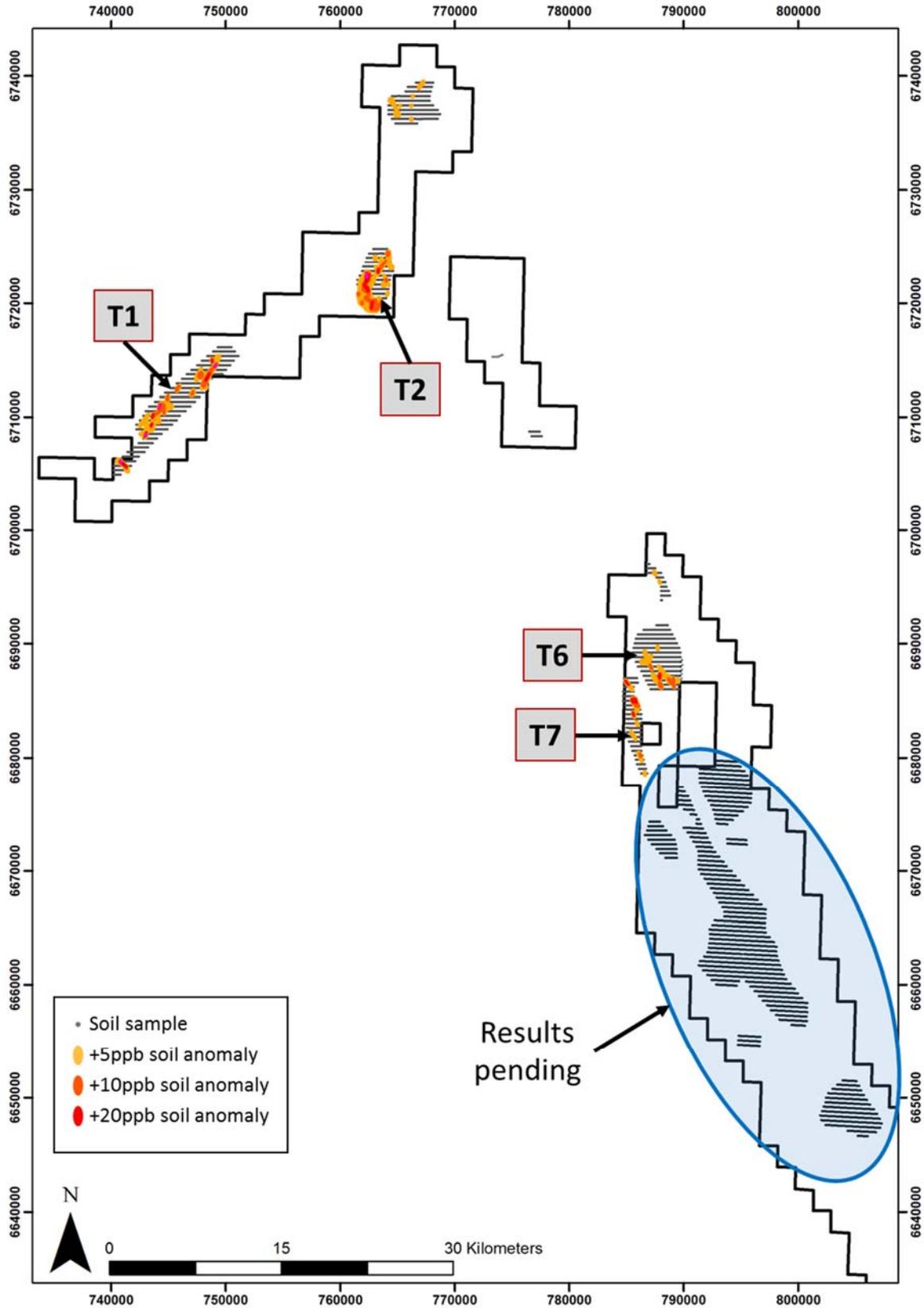
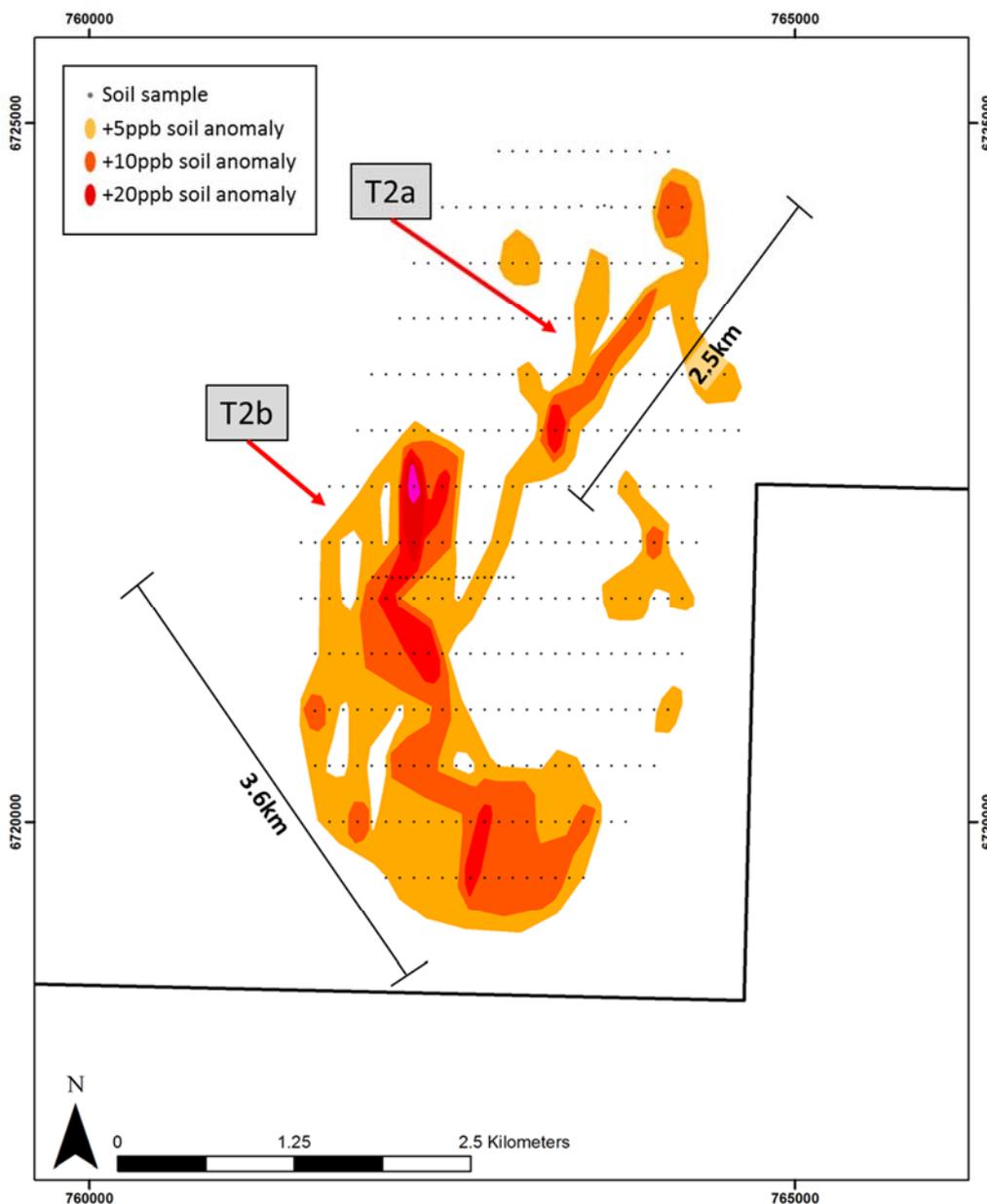


Figure 3: Gold results from the T1 – T7 target areas, highlighting significant anomalies from T1, T2, T6 and T7

**Table 1: T2, T6 and T7 gold prospects and associated pathfinder elements**

Prospect	Dimensions	Pathfinders Present
T2a	2.5km x 1.2km	Ag, As, Bi, Te, Tl, W
T2b	3.6km x 1.5km	Ag, Bi, W
T6	4.2km x 1.3km	Ag, As, Bi, Mo, Te, Tl, W
T7	4.2km x 1.0km	As, As, Sb, Te

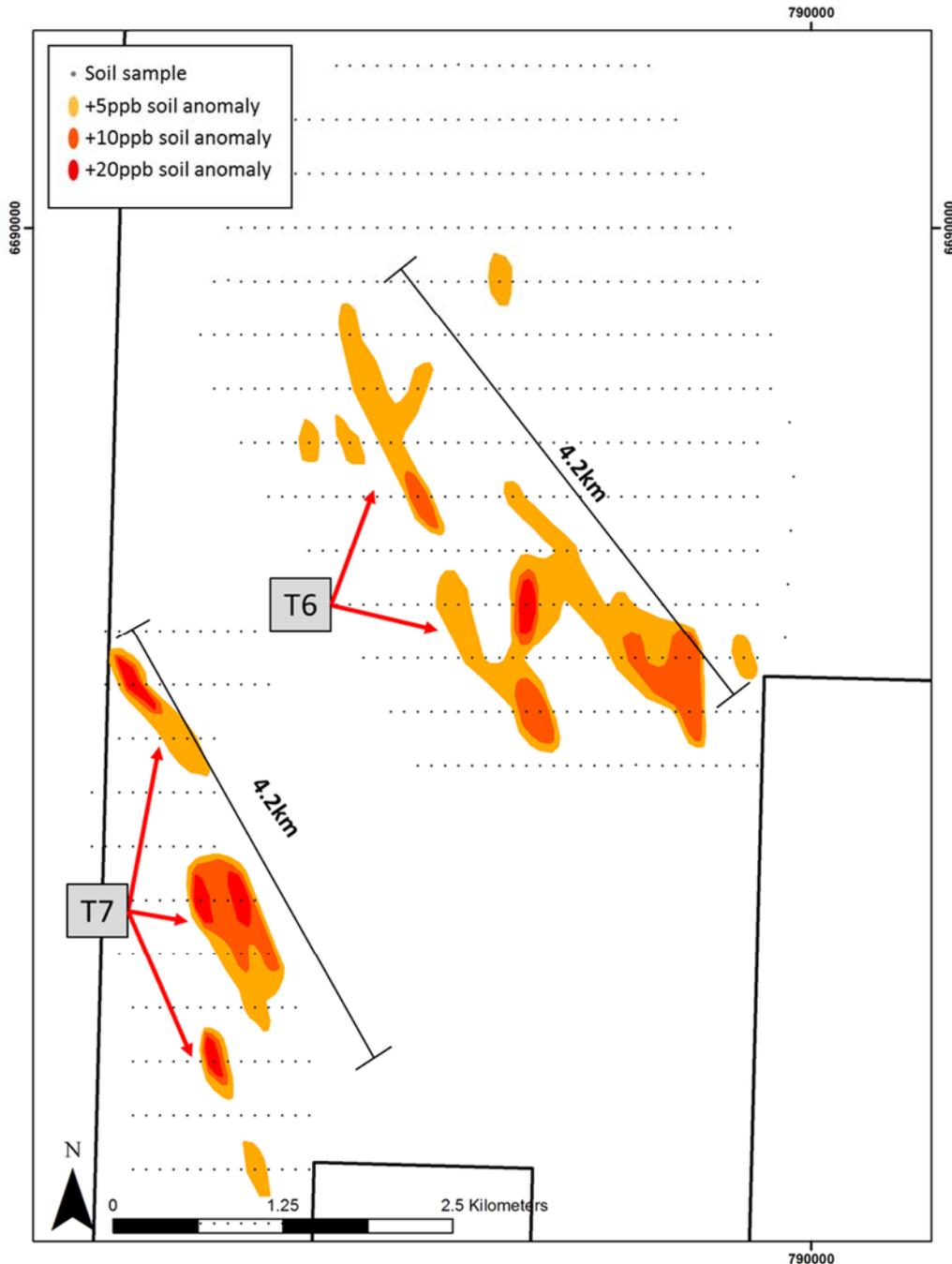
The T2 target area occurs in the Mt Elvire Greenstone Belt which has been deformed by the crustal scale Evanston Shear Zone. Initial soil sampling at the T2 area has delineated two extensive gold anomalies with associated pathfinder elements indicative of an orogenic gold system (**Table 1 & Figure 4**).



**Figure 4: T2a & b prospects within the T2 target area**

The T6 target area sits near the centre of the Yerilgee Greenstone belt adjacent to a late-stage granitic intrusion and a significant jog in an interpreted NW-SE trending thrust associated with intense deformation and alteration. The area returned a 4.2km x 1.3km gold anomaly situated at the contact of overlapping reduced (As, Sb) and oxidized (Mo, Bi, W) anomalies.

The T7 target area sits within a thickened part of the Yerilgee greenstone belt within a wide, thrust banded iron package near a significant regional jog with associated late brittle structures. The soil programme delineated a 4.2km x 1.0km gold anomaly with associated reduced fluid pathfinders.

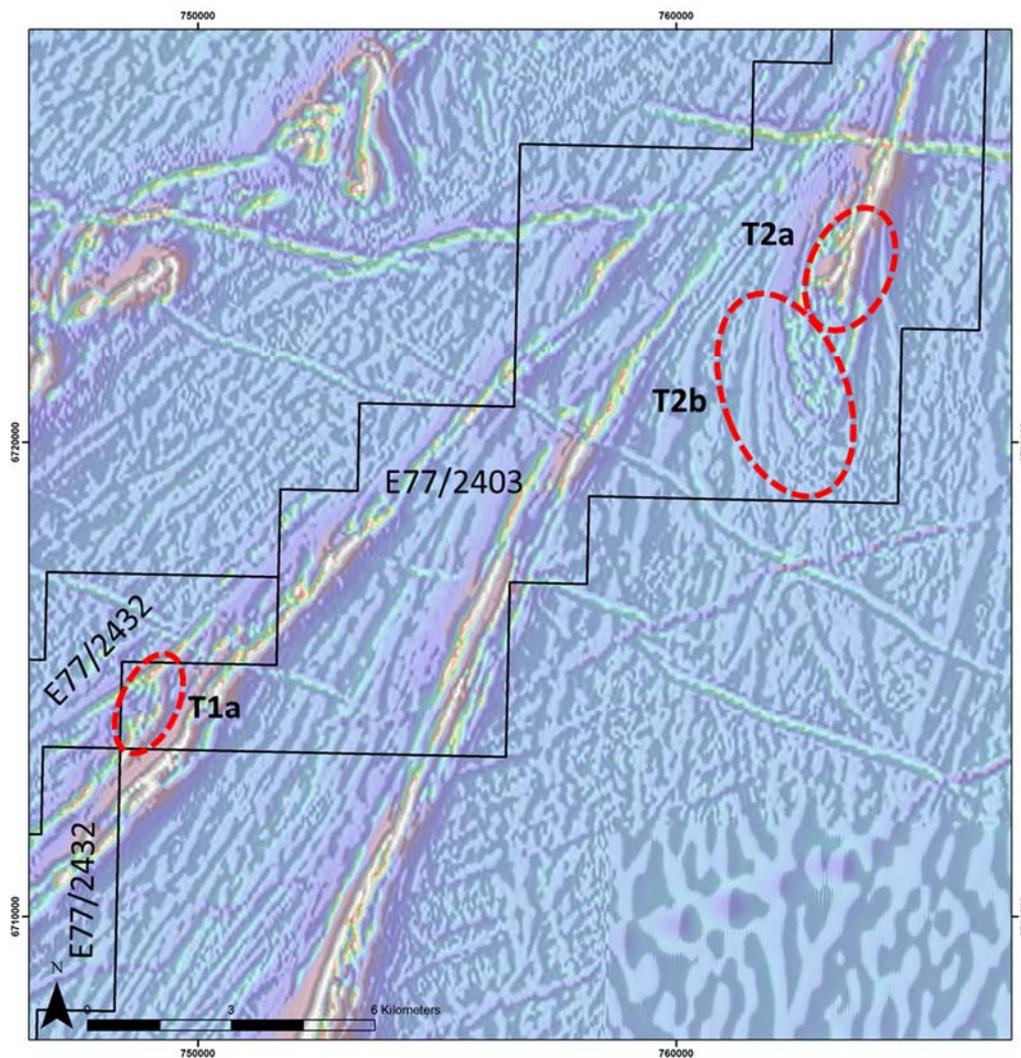


**Figure 5: T6 & T7 gold anomalies**

***Maiden drill programme – July 2017***

Exploration licence E77/2403, which contains the T1a, T2a and T2b targets has now been granted and a Programme of Work (**POW**) has been submitted for a maiden drilling programme. It is anticipated that approvals will be received within 6 – 8 weeks in place for a 4,000m aircore drilling programme to commence in July 2017.

Segue will undertake infill soil sampling (200m x 50m) over priority gold prospects in the coming weeks, prior to commencing drilling.



**Figure 6: Proposed drilling locations at T1a, T2a and T2b over regional magnetics**

For further information visit [www.segueresources.com](http://www.segueresources.com) or contact:

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## JORC Code, 2012 Edition – Table 1 report template

### ***Section 1 Sampling Techniques and Data***

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> Soil samples have been collected on a grid spacing of 400mx100m, some sample locations have been collected off the grid to avoid sampling on outcrop or in active stream beds.</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> 50-100g of -80 mesh (-177 micron) material was collected in the field from 1 – 2 pits roughly 50x50cm in dimension dug down to 20cm.</li> <li>A field duplicate was taken on a 1:50 ratio which consisted of a second sample from the same location but from different pits.</li> <li>An OREAS standard was inserted on a 1:50 ratio to ensure that the laboratory equipment was performing within acceptable limits.</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> 50-100g of -80 mesh material was collected in the field and then sent to ALS laboratories for gold and multielement analysis.</li> <li>For multi-element analysis a 4 acid digest of a 0.25g aliquot followed by ICP-MS for 48 elements (ALS Laboratories technique ME-MS61)</li> </ul>

Criteria	JORC Code explanation	Commentary
	where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	<ul style="list-style-type: none"> <li>For gold analysis an aqua regia digest of a 25g aliquot followed by ICP-MS for a 0.1ppb detection limit for Au (ALS Laboratories technique Au-ST43).</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable, no drilling has been carried out.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable, no drilling has been carried out.</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable, no drilling has been carried out.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable, no drilling has been carried out.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul>	<ul style="list-style-type: none"> <li>Basic description of hand specimen and sample site recorded in the field.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>	<ul style="list-style-type: none"> <li>All field descriptions are qualitative in nature.</li> </ul>
	<ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable, no drilling has been carried out.</li> </ul>
	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>	<ul style="list-style-type: none"> <li>No core reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>	<ul style="list-style-type: none"> <li>All samples were dry and presented to the laboratory “as is”</li> </ul>
	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>All samples were sent to ALS Laboratories in Perth for sample preparation and analysis using standard codes and practices.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>No subsampling undertaken</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> Field duplicates were taken on a 1:50 ratio which consisted of a second sample from the same location but from different pits.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> 50-100g of -80 mesh (-177 micron) material is considered representative for the material sampled.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>All samples were submitted to ALS laboratories in Perth</li> <li><b>Soils:</b> A 0.25 gram aliquot was digested in a four acid solution for a “near” total digestion and analysed by ICP-MS.</li> <li>For gold analysies a 25 gram aliquot was digested in an aqua regia solution for a partial digest of gold and analysed by ICP-MS.</li> <li>This procedure is considered appropriate for this style of mineralization.</li> </ul>
	<ul style="list-style-type: none"> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> </ul>	<ul style="list-style-type: none"> <li>No geophysical results discussed.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>The laboratory analysed a range of internal and industry standards, blanks and duplicates as part of the analysis.</li> <li>OREAS standards are inserted on a 1:50 ratio by staff in the field.</li> <li>All standards, blanks and duplicates were within acceptable levels of accuracy and precision.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>	<ul style="list-style-type: none"> <li>No verification of significant results has taken place at this time.</li> </ul>
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>No twin holes have been drilled.</li> </ul>
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Primary data is recorded in the field in geological log books. This data is then recorded in a spreadsheet and imported to a digital database software package.</li> <li>No adjustments have been made to the assay data.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>Sample locations were recorded with a Garmin handheld GPS which has an accuracy of +/-5m.</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>GDA94 MGA Zone 50.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The level of topographic control offered by the handheld GPS is considered sufficient for the work undertaken.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> Samples were collected on a 400mx100m grid spacing.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> </ul>	<ul style="list-style-type: none"> <li>The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource estimation purposes.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Samples have not been composited.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<ul style="list-style-type: none"> <li><b>Soils:</b> Gridded samples potentially provide an indication of the strike direction of mineralization. All samples have been collect perpendicular to dominate regional structures and lithology.</li> </ul>
	<ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable, no drilling has been carried out.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected, stored and delivered to the lab by field personnel.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits or reviews have been undertaken.</li> </ul>

## ***Section 2 Reporting of Exploration Results***

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> </ul>	<ul style="list-style-type: none"> <li>The Barlee Gold Project is comprised of 2 granted and 5 pending Exploration Licenses (E77/2403, E77/2416, E77/2432, E30/488, E30/493, E30/494 and E16/495) which are held by Segue (Salt Creek) Pty Ltd which is a 100% owned subsidiary of Segue Resources Ltd.</li> <li>There are no JVs, Partnerships or overriding royalties associated with these tenements.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Portions of E30/492 and E30/493 are underlain by 14 small mining leases held by MacArthur Iron Ore Pty Ltd over their declared iron ore resources (M30/206-207, M30/213-17, M30/227-229, M30/248, M30/250-252).</li> <li>There are no Native Title Claims over the tenements.</li> <li>The project is adjacent to the Mount Manning Range Nature Reserve. Available ground within the nature reserve was not pegged.</li> <li>Part of E77/2403 and E30/488 are located within the Proposed Mt Elvire Conservation Park. Mining and Exploration is allowed within the Mt Elvire Conservation Park.</li> <li>Tenements E77/2403 and E30/488 have been granted and are currently live and in good standing.</li> <li>All other tenements are currently pending but in good standing and no known impediments exist.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>This report refers to data generated by Segue Resources.</li> <li>Historical exploration of the project area has been discussed in previous ASX announcements.</li> <li>The Rainy Rocks prospect has been explored and prospected by numerous parties over the years. The area has old shafts and evidence of historical drilling. There does appear to be additional ground disturbance in the area but no record of those activities.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Barlee Project is located over granite greenstones of the Yilgarn Craton within the Southern Cross Domain. The project covers a majority of the Yerilgee Greenstone</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>Belt as well as the South Elvire Greenstone Belt and the NE extension of the Evanston Greenstone Belt.</p> <ul style="list-style-type: none"> <li>This geological setting is prospective for shear hosted / orogenic gold style of mineralization as well as VMS base metal, nickel sulfide and nickel-cobalt laterite mineralization.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling intercepts have been reported.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results,</li> </ul>	<ul style="list-style-type: none"> <li>No weighted averaging techniques have been applied to the data.</li> <li>No aggregate intercepts have been reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No metal equivalent values reported.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling intercepts have been reported.</li> </ul>
	<ul style="list-style-type: none"> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>No drilling intercepts have been reported.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to figures within the announcement.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Diagrams clearly show higher and lower grade areas resulting from plotting all of the assay results.</li> <li>Descriptive Statistics: <ul style="list-style-type: none"> <li>Min: &lt;0.1ppb</li> <li>Mean: 3.6ppb</li> <li>Median: 1.7ppb</li> <li>Max: 600ppb</li> <li>Std Dev: 18.7ppb</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Litho-structural interpretation of airborne magnetics data over the Barlee Project is currently ongoing through Southern Geoscience Consultants.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Planned future work at the Barlee Gold Project includes infill multi-element surface geochemical surveys, POW submittal and first pass drilling.</li> <li>Refer to figures within the announcement.</li> </ul>

#### Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Dean Tuck who is a Member of the Australian Institute of Geoscientists. Mr Tuck has more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves". Mr Tuck consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.