



**SEGUE**  
RESOURCES LTD  
ACN 112 609 846

Segue Resources Limited  
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## Report for Quarter Ended 31 March 2006

### Highlights

- Continued exploration program at Coronet Hill Project during the March 2006 quarter.
- Agreement to conditionally purchase EL 24850 at Wauchope in the Northern Territory from Imperial Granite & Minerals Pty Ltd
- \$2.2 million cash on hand at end of quarter.

### Coronet Hill Project, Northern Territory, Australia (Segue 100%)

This project encompasses the old Coronet Hill copper and silver mining field approximately 60 km east of Pine Creek in the Northern Territory, Australia. Mineralisation is widespread along the major Coronet Hill fault with minor production from several veins over a strike length in excess of 4 km.

The Coronet Hill area has been subject to extensive exploration since the 1960's. The data available from the NT Department of Primary Industry, Fisheries and Mines is currently being compiled into a database.

During the quarter the Exploration Operations Management Plan was submitted and accepted by the NT Department of Primary Industry, Fisheries and Mines. The Aboriginal Areas Protection Authority certificate was also approved for road building, drill pad construction and exploration drilling on EL 10004.

Due to the extensive rainfall in the Northern Territory during the quarter, field work on the licence has been delayed until late May or June. Planning for the 2006 field programme is continuing.

*The information in this report relating to exploration results is based on information compiled by Mr J F Fabray of J Fabray and Associates, who is a Member of the AusIMM. Mr Fabray acts as Exploration Manager for Segue Resources Ltd, and consents to the inclusion in this report of the information as presented. He has sufficient experience relevant to the style of mineralisation/type of deposit under consideration and to the type of activity described to qualify as a competent person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".*

## **Wauchope, Northern Territory, Australia**

On 3 April 2006, the Company entered into an agreement with Imperial Granite & Minerals Pty Ltd ("IGM") to conditionally purchase 100% of EL 24850 which is located near Wauchope in the Northern Territory of Australia. The purchase agreement is conditional on IGM first being granted EL 24850 by the NT Department of Primary Industry, Fisheries and Mines.

EL 24850 was intermittently mined for Tungsten between 1917 and 1962 and the area produced a recorded total of approximately 1,430 tonnes of tungsten concentrate. The area is also prospective for Wolframite, Molybdenite, Scheelite, Pyrite, Chalcopyrite, Bismuthinite and a number of other minerals.

The terms of the purchase agreement are that, subject to IGM being granted the lease, the Company will pay IGM \$30,000 in cash and will issue 150,000 ordinary fully paid shares to IGM. Of the shares provided as consideration, 100,000 will be voluntarily escrowed by IGM for 12 months from the date of settlement.

## **Corporate**

Mr John Arbuckle was appointed as a director of the Company on 4 April 2006. Mr Arbuckle is a CPA with extensive experience in the mining industry in Australia and overseas. His recent positions have included Chief Financial Officer and Company Secretary of Mount Gibson Iron Limited and Chief Financial Officer of Perilya Limited, where he guided both companies through difficult start up phases of major projects. Prior to this he held senior financial management roles with Rio Tinto Limited, North Limited and Anaconda Nickel Limited. He has considerable experience in developing financial and risk management strategies for mining companies.

The Company has 10,512,350 fully paid ordinary shares on issue (including 6,314,063 shares escrowed between 12 to 24 months) and 8,714,810 options on issue (including 7,626,810 options escrowed between 12 to 24 months).

At 31 March 2006, the Company has approximately \$2.2 million in cash.

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