

28 April 2017

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



ASX Code: SEG

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2017

MARCH QUARTER HIGHLIGHTS

- Multiple gold targets identified at the Barlee Gold Project from the BLEG survey with initial soil sampling programme underway
- Discovery of lithium-caesium-tantalum mineralisation at the Reid Well Prospect with rock chips up to 1.02% Li₂O and 530ppm Ta₂O₅ with an LCT soil anomaly covering an area of 1.4km x 1.0km
- MMG to complete a 6,000 line kilometre, low frequency, high power, airborne EM survey at the Plumridge Nickel Project
- 1 for 35 share consolidation approved by shareholders and SEG now trading post-consolidation



Figure 1: Segue Projects Location Map

Segue Resources Limited

ASX Code:	SEG
Share price (28/4/17):	4.6¢
52 week range:	3.5 – 17.5¢
Shares on issue:	109.9m
Market cap.:	\$5.1m

Exploration Projects

Project	Interest	Location	Size
Barlee Gold	100%	Southern Cross	1,200km ²
Gascoyne Lithium	100% ²	Mortimer Hills	1,100km ²
Plumridge Gold	100%	Fraser Range	450km ²
Plumridge Nickel	100% ¹	Fraser Range	2,450km ²
Deralinya Nickel	70%	Fraser Range	775km ²
Pardoo Nickel	100% ¹	Pilbara	330km ²

1. Subject to farm-out joint venture.
2. Subject to farm-in joint venture.

BARLEE GOLD PROJECT

Eastern Goldfields, Western Australia

The Barlee Gold Project is situated 180km north of Southern Cross in the Eastern Goldfields of Western Australia and covers +120 strike kilometres of the Evanston, South Elvire and Yerilgee Greenstone Belts which straddle the Evanston and Yuinmery Shear Zones (**Figure 2**). Segue controls the majority of the Yerilgee Greenstone Belt with 1,200km² of exploration licence applications.

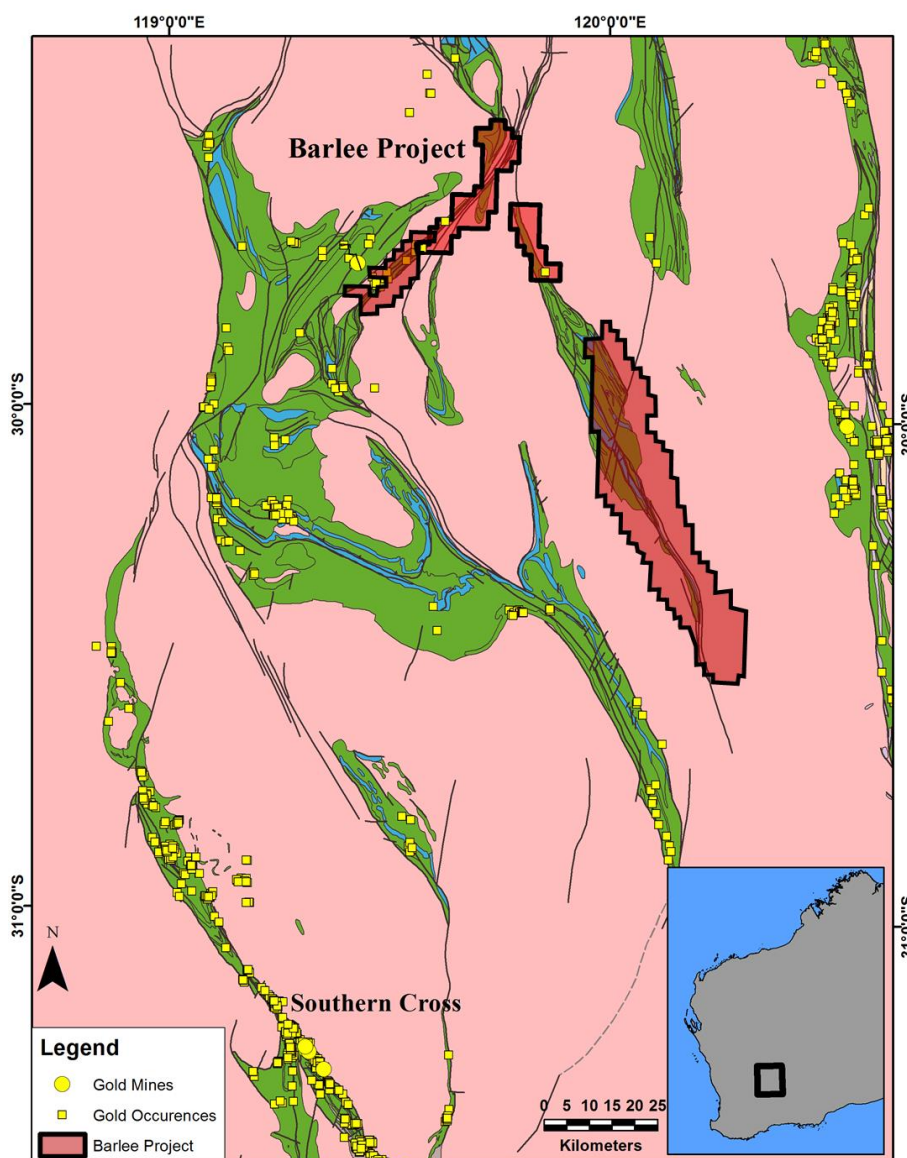


Figure 2: Barlee Project tenement map

Segue commenced a major exploration programme at the Barlee Gold Project in December 2016. The work programme included drainage BLEG (Bulk Leach Extractable Gold) sampling over areas without historical coverage and gridded multi-element soil surveys over identified prospects.

The results of the BLEG programme were combined with geochemical and geophysical data, litho-structural interpretation and historical exploration results. A total of 14 gold targets were identified (**Figure 3**) and ranked based on the BLEG results, spatial association with pathfinder multi-element anomalism (As-Bi-Sb-W-Mo-Cu-Pb-Zn), litho-structural targets from interpretation of airborne magnetics and historical exploration.

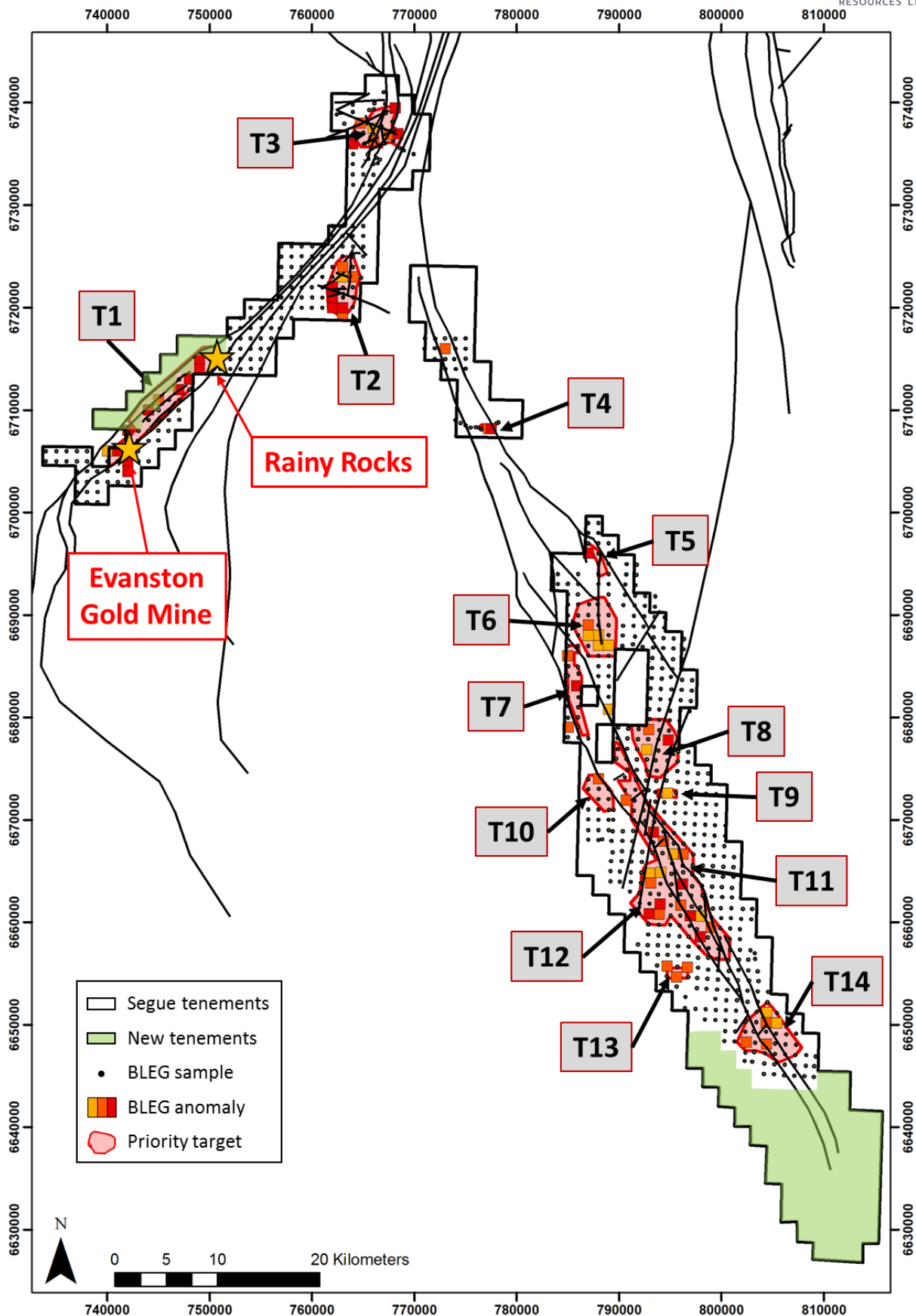


Figure 3: Exploration target areas over anomalous BLEG results

Segue has commenced a follow up a 400m x 100m soil sampling programme over the 14 target areas. The programme is expected to be completed by the end of May. Following the soil sampling programme, Segue will immediately move into a 200m x 50m infill soils programme over the areas of greatest prospectivity. Segue will also complete an airborne magnetic survey in April over areas which require higher resolution data to allow for more detailed litho-structural interpretation.

Segue aims to have the infill soils programme completed by June 2017, which is expected to coincide with the majority of the Barlee tenements being granted. Upon grant of the exploration licences, Segue will be able to start drilling as soon as approvals are obtained.

GASCOYNE LITHIUM PROJECT/MORTIMER HILLS JV

Gascoyne Region, Western Australia

During the quarter, Segue announced the discovery of lithium-caesium-tantalum (LCT) mineralisation at the Reid Well Prospect at the Gascoyne Lithium Project in Western Australia (**Figure 4**). Assays from the first batch of rock chips from Reid Well confirmed the existence of a complex zoned pegmatite with assays up to 1.02% Li₂O and 530ppm Ta₂O₅.

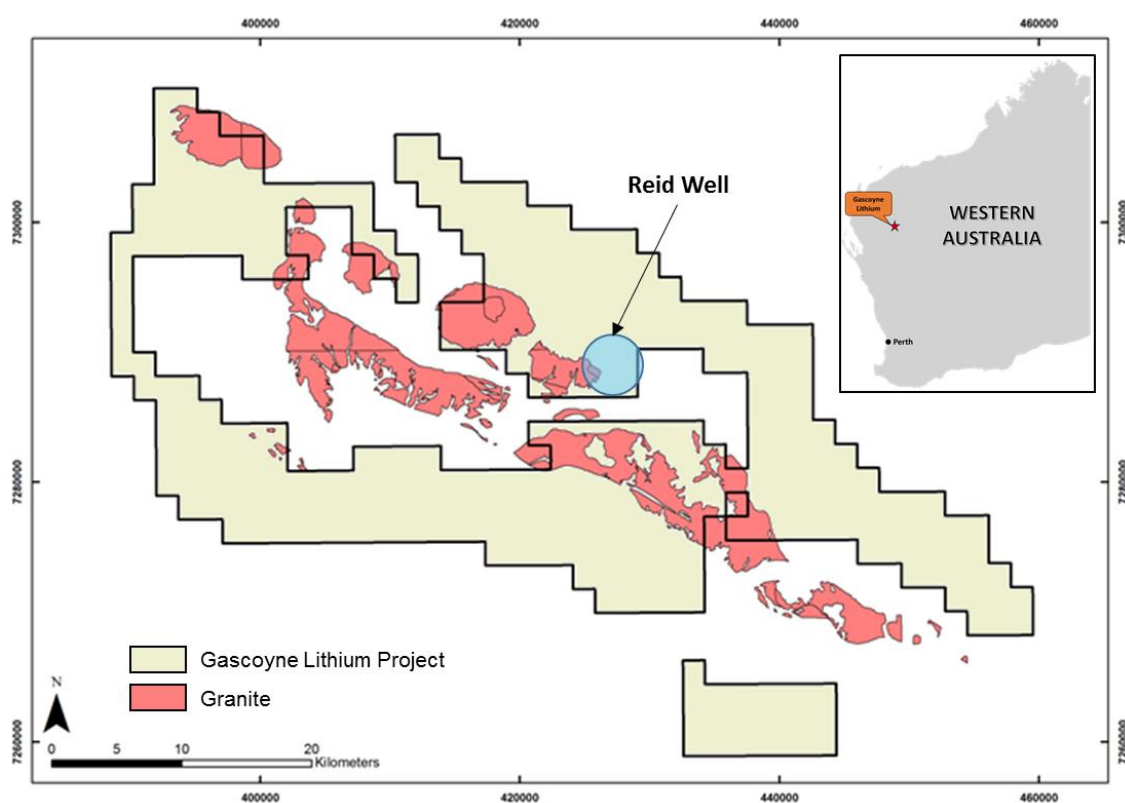


Figure 4: Gascoyne Lithium Project tenement map

The Reid Well area consists of the eastern margin of the Thirty Three Supersuite which has intruded into Proterozoic metasediments. Previous exploration work by Segue identified the Thirty Three Supersuite as being highly fractionated and fertile for LCT pegmatites.

A total of 129 rock chips were collected from the outcropping outer margin of a pegmatite within Segue's 100% owned tenement application E09/2169. Over 20% of the samples returned lithium results above 0.3% Li₂O with associated elevated caesium and rubidium (**Figure 5**). In addition, the majority of the samples contained tantalum grades over 100ppm Ta₂O₅ with a maximum of 554ppm Ta₂O₅.

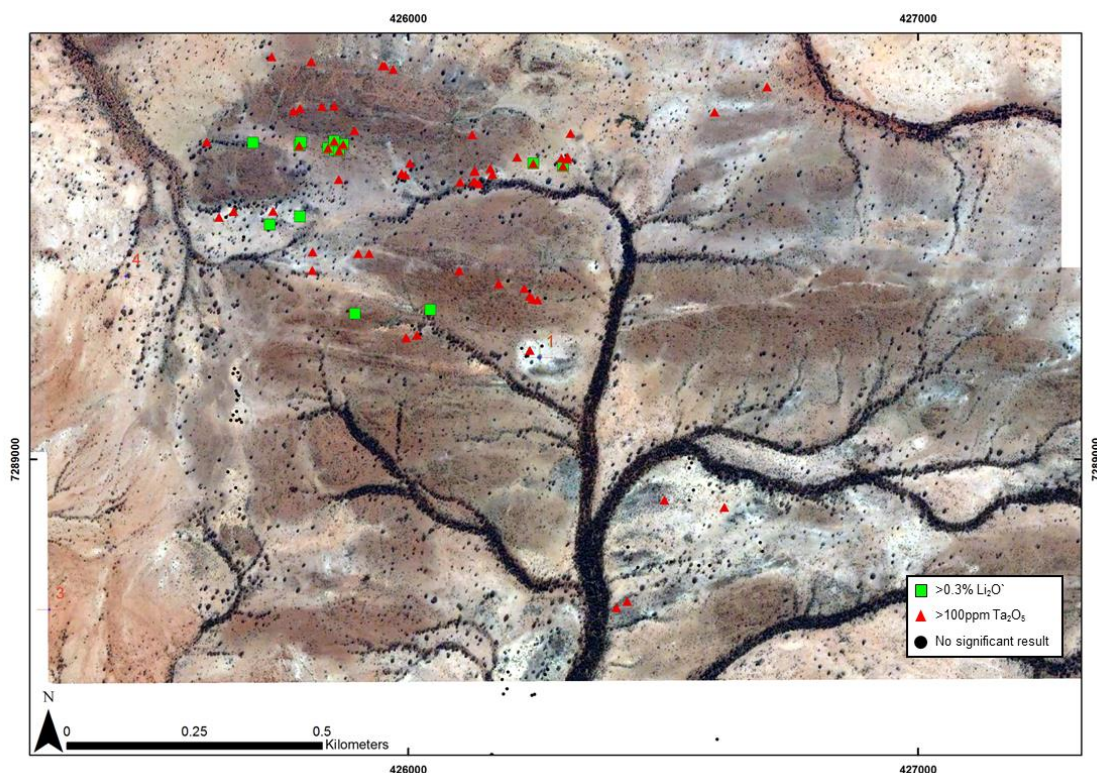


Figure 5: Aerial image showing significant rock chip samples at Reid Well Prospect

Within the metasediments, a number of small pegmatite dykes occur within schists and an extensive pegmatite body was identified in topographic lows. The pegmatite contained numerous small outcrops of fine grained (aplitic) and medium to coarse grained pegmatite. Rock chips were collected from outcrops and sub-crops extending over an area of over 1km x 250m. The 10 highest grade lithium and tantalum results are listed in **Tables 1 and 2** (a full list of assay results are in the Company's announcement of 16 March 2017).

Table 1: High grade lithium assays

Sample ID	Lithium (% Li ₂ O)
GAS00531	0.69
GAS00535	1.03
GAS00536	0.56
GAS00537	0.77
GAS00539	0.75
GAS00540	0.67
GAS00541	0.90
GAS00559	0.84
GAS00586	0.65
GAS00665	0.58

Table 2: High grade tantalum assays

Sample ID	Tantalum (ppm Ta ₂ O ₅)
GAS00523	454
GAS00528	412
GAS00554	530
GAS00562	503
GAS00565	430
GAS00582	475
GAS00585	442
GAS00621	554
GAS00622	524
GAS00626	531

In addition to the rock chips, Segue collected a total of 1,524 soil samples over the greater Reid Well prospect area at 100m x 100m and 50m x 50m spacing during the quarter. The programme successfully delineated a 1.3km x 1.0km lithium and tantalum soil anomaly, with soil samples up to 0.8% Li₂O (**Figure 6**). The soil anomaly is consistent with high grade lithium and tantalum rock chip samples and appear to be contained within a previously unidentified zoned LCT pegmatite.

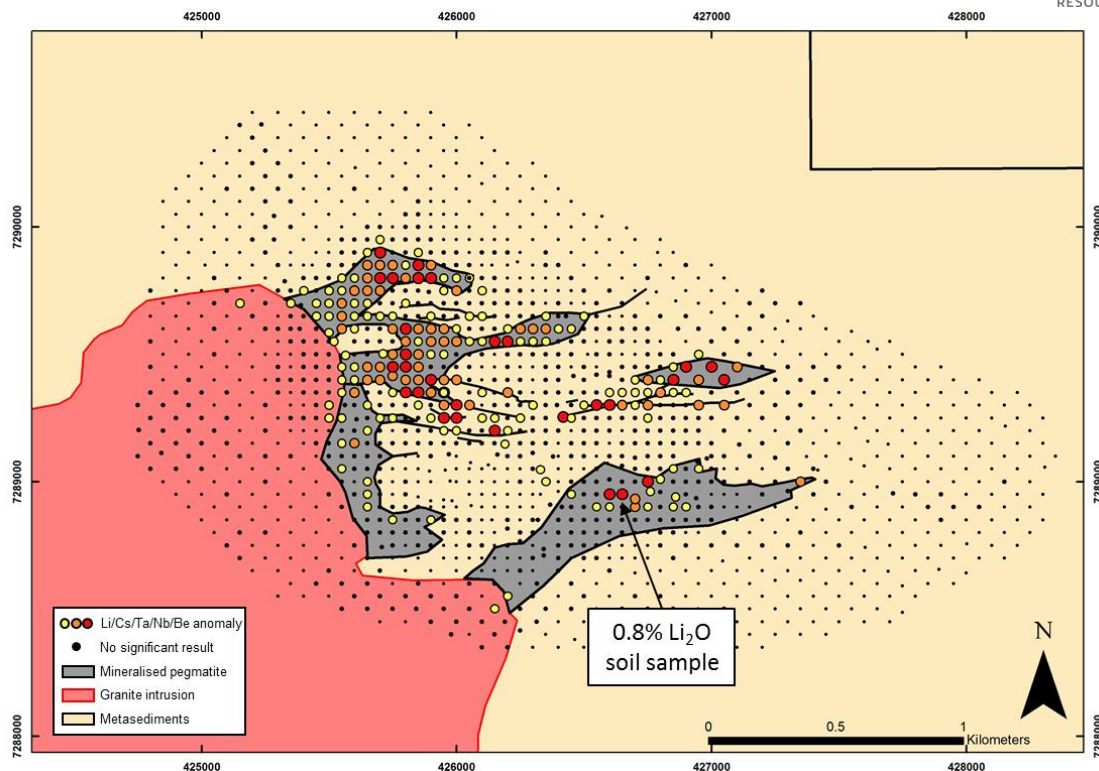


Figure 6: Interpreted geological map showing multivariate Z-score for soil samples and mineralised pegmatites

The Reid Well Prospect is located within exploration licence application E09/2169, which is currently pending grant. Segue is working with Native Title Claimant groups to finalise Heritage Agreements. Once the tenement has been granted, Segue will submit a Programme of Works for approval from the DMP. Segue plans on commencing drilling at the Reid Well Prospect as soon as all necessary approvals have been received.

PLUMRIDGE NICKEL PROJECT

Fraser Range Province, Western Australia

The Plumridge Nickel Project comprises ~2,500km² of exploration licences, 200km north of the Nova Ni-Cu mine. Segue owns a 100% interest in the Project, with MMG Exploration Pty Ltd (**MMG**), a wholly-owned subsidiary of international base metals company MMG Limited (HKEx: 1208, ASX: MMG), earning a 51% interest in the Project by funding \$6.5m of exploration (**Stage 1**). Following Stage 1, MMG has the right to increase its interest in the Project to 70% through funding an additional \$7.5m of exploration (**Stage 2**).

An assessment of results of historical and new EM data by MMG and external specialists has indicated that airborne EM is more viable than initially estimated. As a result, MMG will be undertaking a ~6,000 line kilometre, low frequency, high power, airborne (helicopter) EM survey in April 2017 (**Figure 8**).

All data will be processed by an external consultant, who is an expert in interpretation of airborne geophysical data and inversion of EM data affected by IP (induced polarisation). 2D sections will be used to identify conductors which can then be modelled and assessed in 3D with potential field inversions and drilling (if available). The review is expected to be completed by the end of May.

Top ranked targets will then be followed up with high powered, low frequency, fixed loop ground EM to further constrain geometry and assist in ranking drill targets. Ground EM is expected to take 3-4 weeks, and will take place approximately one month after the airborne EM survey is completed. MMG plans on completing RC drilling on the highest priority targets in July/August 2017. All holes will be cased for downhole EM (**DHEM**) surveying to be undertaken in a short campaign during the latter stages of drilling.

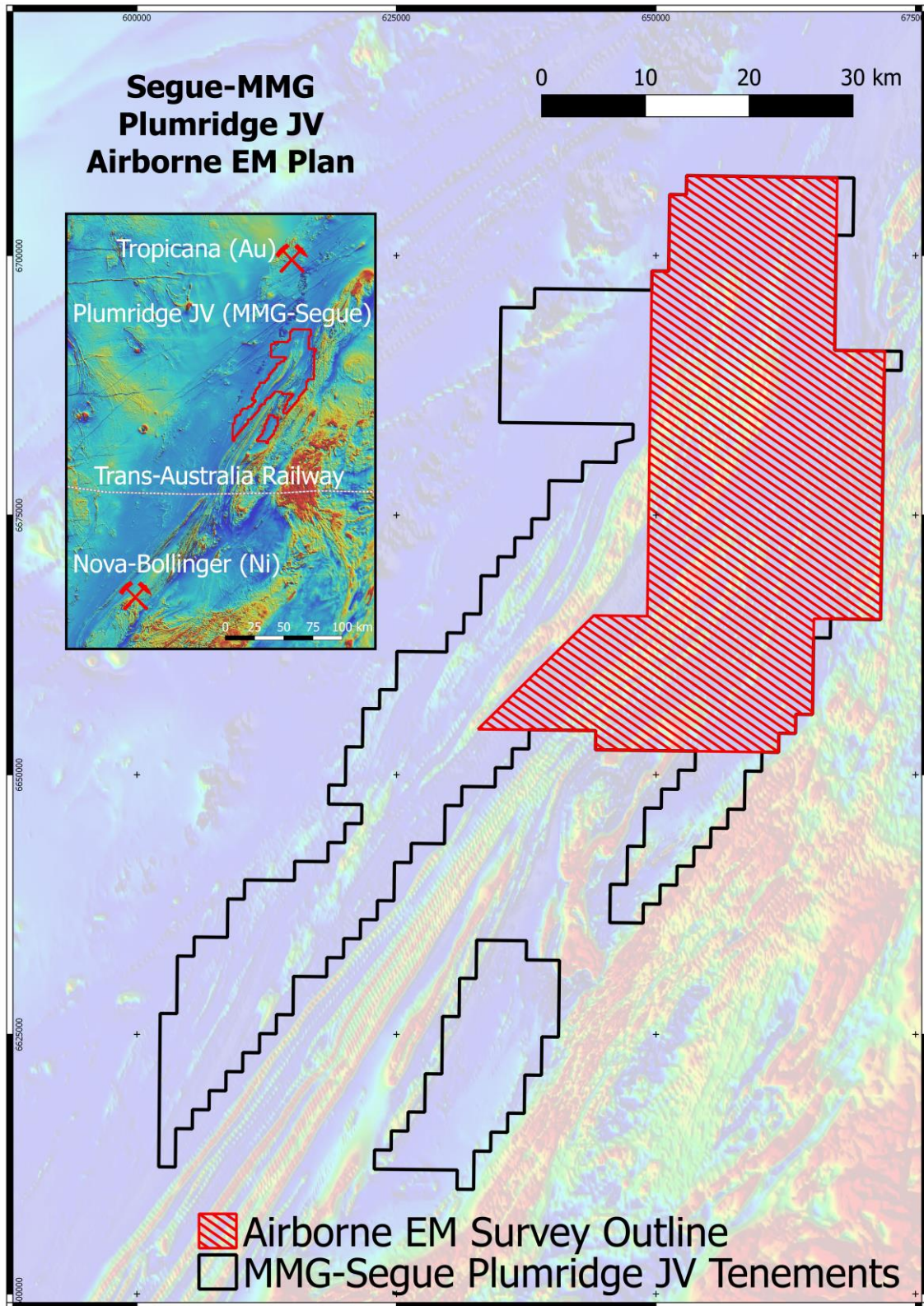


Figure 8: Plumridge Project airborne EM survey plan over regional magnetics

CORPORATE AND FINANCIAL

Consolidation of Capital

Subsequent to the quarter, on 19 April 2017, shareholders approved a consolidation of the Company's share capital on a 1 for 35 basis (**Consolidation**). The Consolidation reduced the number of shares on issue from 3,866.0 million to 109.9 million. The Consolidation will have no material effect on the percentage interest of each individual shareholder in the Company as the Consolidation applies equally to all shareholders (subject only to the rounding of fractions).

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

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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.

Appendix A – Schedule of Tenements as at 31 March 2017

Tenement ID	Status	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
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Gold Projects

E16/495	Application	0%	0%	0%
E16/498	Application	0%	0%	0%
E30/488	Application	0%	0%	0%
E30/493	Application	0%	0%	0%
E30/494	Application	0%	0%	0%
E39/1117	Granted	100%	0%	100%
E39/1118	Granted	100%	0%	100%
E39/1830	Granted	100%	0%	100%
E39/1979	Granted	0%	100%	100%
E77/2403	Application	0%	0%	0%
E77/2416	Application	0%	0%	0%
E77/2432	Application	0%	0%	0%

Lithium Projects

E47/3476	Application	0%	0%	0%
E47/3477	Application	0%	0%	0%
E47/3478	Application	0%	0%	0%
E09/1618	Granted	0%	0% ¹	0%
E09/2169	Application	0%	0%	0%
E09/2170	Application	0%	0%	0%
E09/2171	Application	0%	0%	0%
E09/2197	Application	0%	0%	0%
E09/2198	Application	0%	0%	0%

Nickel Projects

E28/1475	Granted	100% ²	0%	100%
E28/2266	Granted	100% ²	0%	100%
E28/2267	Granted	100% ²	0%	100%
E28/2317	Granted	100% ²	0%	100%
E39/1084	Granted	100% ²	0%	100%
E39/1709	Granted	100% ²	0%	100%
E39/1710	Granted	100% ²	0%	100%
E39/1731	Granted	100% ²	0%	100%
E45/1866	Granted	100%	0%	100%
E45/4279	Granted	100%	0%	100%
E45/4671	Granted	0%	100%	100%
E63/1522	Granted	100%	0%	100%
E63/1524	Granted	100%	0%	100%
E63/1736	Granted	100%	0%	100%

1. Segue has the option to earn up to a 50% interest subject to the Mortimer Hills JV.
2. MMG has the right to earn up to a 70% interest in the Plumridge Nickel JV