



ASX Code: SEG

28 July 2014

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

UNMARKETABLE PARCEL SALE FACILITY

Segue Resources Limited (**Segue** or the **Company**) is pleased to announce that it has established a share sale facility for the holders of unmarketable parcels of the Company's shares. The sale facility is subject to the conditions set out in the attached notice.

Approximately 2,133 of the Company's 3,727 shareholders hold unmarketable parcels making up approximately 0.27% of the Company's fully paid ordinary shares on issue. By facilitating the sale of unmarketable parcels the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings. The sale will also benefit the shareholders of unmarketable parcels who otherwise might find it difficult to sell their shares due to the small size of their holding. These shareholders will also avoid incurring any brokerage costs as these will be borne by the Company.

The Record Date for the purposes of establishing holders of unmarketable parcels has been set at 5:00pm WST on Friday, 25 July 2014. An unmarketable parcel (which is a parcel of Segue shares with a market value of less than \$500 on the record date) will be any shareholding of 38,461 shares or less.

Segue is offering this facility to assist shareholders of unmarketable parcels to sell their Segue shares without having to use a broker or incurring brokerage costs. Segue will organise remittance of sale proceeds for those shareholders who take advantage of the facility. Any tax consequences from the sale will be the shareholder's responsibility. The shares will be sold at a price pursuant to the Company's constitution for the sale of minimum shareholdings.

Attached is a copy of the letter and retention form which will be sent to all shareholders holding an unmarketable parcel on the record date.

For and on behalf of the Board

Matthew Foy
Company Secretary
Segue Resources Limited

28 July 2014

Dear Shareholder

IMPORTANT NOTICE – Sale of your Unmarketable Parcel of Segue Resources Limited Shares

I am writing to advise you that Segue Resources Limited (**Segue** or the **Company**) has established a share sale facility (**Facility**) for holders of shares valued at less than \$500 as at close of trade on 25 July 2014 (**Unmarketable Parcels**). The facility is being established in accordance with the Company's Constitution and the ASX listing rules.

Segue is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. Holders of Unmarketable Parcels who take advantage of the facility will have their shares sold without having to act through a broker. The Company will arrange payment of the proceeds of the sale to be sent to you (although any tax consequences from the sale of your shares will be your responsibility).

Our records show that you held an Unmarketable Parcel based on the Segue share price of \$0.013 as at close of trade on 25 July 2014 (**Record Date**). Unless you advise the Company that you do NOT wish to sell your shares within six (6) weeks from when this letter was sent, Segue intends to sell your shares through the Facility in accordance with Clause 3.5 of the Company's Constitution and the Australian Securities Exchange Listing Rules. Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. The shares will be sold at the authorised price being the price per share of the Segue securities equal to the simple average of the last sale prices of Segue on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 3.5 of the Constitution.

What should you do?

If you do NOT wish to sell your shares through the Facility, you must complete and return the attached form to the address on the form so that it is received by 5.00 pm (Perth time) on 8 September 2014 (**Share Retention Form**). Please read the instructions on your personalised Share Retention Form carefully before completing it.

If you want to sell your shares through the Facility, you do not need to take any action. By refraining from taking any action, after the expiration of the time prescribed in the ASX Listing Rules and the Company's Constitution, you will be deemed to have irrevocably appointed the Company as your agent:

- (a) to sell all of your shares at a price to be determined by when and how the shares are sold; and
- (b) to deal with the proceeds of the sale as set out in the attached information pack.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility you should consult your legal, financial or taxation adviser.

The attached information pack sets out further details of the Facility, which you should read before making any decision. You can also contact the Company Secretary on +61 8 9486 4699 if you have any queries about lodging your form or the practical operation of the Facility.

Yours sincerely

Matthew Foy
Company Secretary
On behalf of the Board

INFORMATION PACK FOR THE UNMARKETABLE PARCEL SALE FACILITY

1. What is an Unmarketable Parcel of shares?

An unmarketable parcel of Shares is a holding of Segue shares valued at less than \$500 as at close of trade on the Record Date. Based on the price of Segue shares at the Record Date, this is a holding of 38,461 shares or less.

2. What price will I receive for shares sold through the Facility?

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The shares will be sold at the authorised price being the price per share of the Segue securities equal to the simple average of the last sale prices of Segue on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 3.5 of the Constitution. Segue directors may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Facility.

3. What is the price of Segue Resources Limited shares?

The last sale price of Segue shares on Friday, 25 July 2014 was 1.3¢. The share price changes frequently and more recent prices are available in newspapers and from the ASX website (www.asx.com.au) under the ASX code "SEG".

4. When will the proceeds from the sale of shares be sent to me?

Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. Payment will be made in Australian dollars by cheque. You will be notified by way of a transaction confirmation statement of the number of your shares sold, and the price and total sale proceeds and any associated costs. The cheque will be sent by post to your address as shown in the share register at the time the share sale payment is run.

5. If I buy more shares, will I retain my holding?

Yes, Segue will treat any purchase of additional shares to increase the value of a Segue shareholding to more than \$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by 5.00 pm (Perth time) on 8 September 2014 **under the same name and address and with the same holder number (SRN or HIN)** as set out in this letter.

6. What if my shares are held in a CHESS holding?

If your Shares remain in a CHESS holding at 5.00pm on 8 September 2014, the Company may move those Shares to an issuer sponsored holding and the Shares will be sold through the Facility.

7. Where can I get further information?

If you have any questions concerning your shareholding or how the Facility will work, please contact our Company Secretary, Matthew Foy, by telephone on +61 8 9486 4699.

8. Important notes

Segue reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that the Facility is the best way to sell Segue shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the Segue share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an Unmarketable Parcel. Under these circumstances your shares will not be sold as part of this facility.

SHARE RETENTION FORM

Securityholders who wish to retain their Shares must lodge a Share Retention Form.

Number of Shares as at Record Date

This is the total number of Shares you held at 5.00 pm on 25 July 2014.

Retention of Shares

If you would like to retain your Shares, please mark the box on the front of the form and return it in accordance with the lodgment instructions below.

If this form is not received by that time, and you have not otherwise validly notified the Company that you wish to retain your Shares by that time, the Company will be entitled to have your Shares sold for you.

If you wish to sell your Shares under the Share Sale Facility, you should not complete this form.

Contact details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

Email Communications

Enter your email address. Your email address will be used to send you your shareholder communications electronically.

Signature(s)

You must sign and date the form as follows in the space provided:

Joint holding: where the holding is in more than one name all of the securityholders must sign.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Consolidation of shareholdings

If you have more than one holding on Segue Resources Limited's register and you do not sell your Shares under the Unmarketable Parcel Share Sale Facility, you should consider consolidating them. For further advice in this regard, please contact ADVANCED SHARE REGISTRY.

Lodgment of Form

If you wish to retain your Shares, this Share Retention Form must be completed and received by ADVANCED SHARE REGISTRY Perth **by no later than 5.00 pm (WST) on Monday, 8 September 2014**

It is your responsibility to allow sufficient time for this form to be received by ADVANCED SHARE REGISTRY.

Your Share Retention Form must be sent to the Company's share registry:

Segue Resources Limited
C/: Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909

Neither ADVANCED SHARE REGISTRY nor the Company accepts any responsibility if you lodge the Share Retention Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by ADVANCED SHARE REGISTRY, as registrar for the Company, for the purpose of effecting your instructions in relation to the Share Sale Facility, maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to the Company and its professional advisers, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by ADVANCED SHARE REGISTRY, or you would like to correct information that is inaccurate, incorrect or out of date, please contact ADVANCED SHARE REGISTRY. In accordance with the Corporations Act 2001(Cth), you may be sent material (including marketing material) approved by the Company in addition to general corporate communications. You may elect not to receive marketing material by contacting ADVANCED SHARE REGISTRY.

This form may not be used to notify your change of address. For information please contact ADVANCED SHARE REGISTRY on +61 8 9389 8033 or visit the share registry at <http://advancedshare.com.au>