



ASX Code: SEG

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

SEGUE COMPLETES PLACEMENT TO TECHNICAL CONSULTANTS

Segue Resources Limited (**Segue** or the **Company**) is pleased to announce that it has completed a placement of 9,500,000 shares at 1.25¢ per share to the Company's consultants, including Newexco and Omni GeoX. The placement represents a reinvestment of fees paid by Segue to the consultants. The placement price represents a 10.7% discount to the current market price and 5 day average closing price of 1.4¢.

Commenting on the placement, Segue's Managing Director, Mr Steven Michael, said:

Our key technical and marketing consultants have agreed to reinvest a portion of their fees in Segue shares, reflecting their commitment to the Company and the Plumridge Nickel Project. Segue has built a strong relationship with these consultants and believe that our interests are clearly aligned in maximising the value to all shareholders.

The Placement was made utilising the Company's existing placement capacity under ASX Listing Rule 7.1A.

Information required under ASX Listing Rule 3.10.5A

Segue provides the following information as required under ASX Listing Rule 3.10.5A as follows:

1. Dilution to existing shares as a result of the issue made under 7.1A:
 - a. The percentage of the existing issued capital represented by the Placement made under 7.1A is 0.48%.
 - b. The percentage of the post-Placement issued capital held by the pre-placement security holders is 99.53%.
2. None of the participants in the Placement were existing shareholders of the Company and were issued the Placement shares as a reinvestment of fees paid by Segue to the consultants.
3. No fees were paid in relation to the issue of the Placement shares.

Segue has also entered into a Controlled Placement Agreement (**CPA**) with Acuity Capital Pty Ltd (**Acuity**) to provide Segue with up to \$1 million of equity capital over the coming 12 months. Importantly, Segue retains full control of the placement process, including having sole discretion as to whether or not to utilise the CPA. Further, there are no restrictions or conditions on other capital raising activities the Company may wish to undertake.

Segue has entered into the CPA to complement its funding initiatives and to strengthen its overall capital management program by adding a further capital raising tool. The CPA provides Segue with the flexibility to quickly and efficiently raise capital, including the ability to take advantage of suitably attractive opportunities if they arise.

Segue is under no obligation to raise capital under the CPA and there are no break fees if the Company does not utilise the CPA.

Commenting on the CPA with Acuity, Mr Michael, said:

The Company recently raised \$3.1 million through two SPP's, for the purpose of advancing exploration and drilling at the exciting Plumridge Nickel Project. This has culminated in Segue's announcement yesterday that a diamond and reverse circulation drilling programme will commence shortly at the E21 Target. The capital raising facility with Acuity, if used, will fund the Company's working capital requirements and is completely within the Company's control in terms of raising price/s and timing, thereby minimising the cost of capital and dilution for existing shareholders.

The key features of the CPA are:

1. Standby equity capital of up to \$1,000,000 available at the Company's sole discretion;
2. No obligation on the Company to place shares;
3. The CPA provides Segue with full control over the placement process, including the right to determine the following for each new placement:
 - a. Maximum Placement Amount to be issued for any particular Placement Period, minimising dilution of existing shareholders;
 - b. Floor Price, being the minimum issue price for that Placement Period, and
 - c. Placement Period, being the date(s) over which the volume weighted average price (**VWAP**) and placement price is calculated;
4. Each new placement is issued at a 10% discount to a VWAP over the Placement Period, subject to the Floor Price determined by the Company;
5. The actual issue price per share may be higher than the Floor Price set by the Company for a Placement Period. This will occur where the discounted VWAP of Segue Resources shares over the relevant Placement Period is above the Floor Price;
6. There are no fees for Segue entering into the CPA and there are no options required to be issued;
7. Segue has the right to cancel the CPA at any time for no fee;
8. No restrictions on Segue entering into debt financing arrangements or from undertaking additional private placements, rights issues or shareholder purchase plans;
9. No restrictions on Segue entering into strategic industry partnerships or undertaking acquisitions of assets and shares in the future; and
10. Utilisation of the CPA is dependent on Segue's available placement capacity under the ASX listing rules.

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

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