ASX Release



17 August 2017

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



DRILLING COMMENCED AT GASCOYNE LITHIUM PROJECT

Segue Resources Limited (Segue or the Company) is pleased to announce the commencement of a maiden reverse circulation (RC) drill programme at the Reid Well lithium-caesium-tantalum (LCT) prospect at the 100% owned Gascoyne Lithium Project in Western Australia (Figure 1).

The 2,500m RC drilling programme will test the lateral extent, depth and orientation of the 1.8km x 1.2km, high grade prospect (**Figure 2**).

Drilling is planned to be completed within three weeks. Assay results are expected to be received by late September 2017.

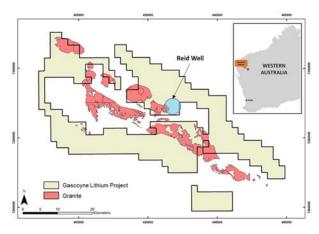


Figure 1: Gascoyne Lithium Project location map

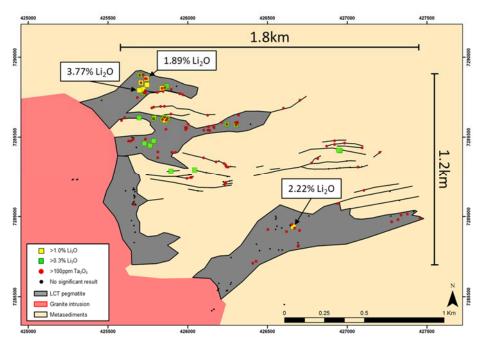


Figure 2: Interpreted geological map showing rock chips from Reid Well



Barlee Gold Project

Segue has completed the maiden aircore/RC drilling programme at the Barlee Gold Project in the Southern Cross Region of Western Australia (**Figure 4**). The drill programme was designed to test the T1a and T2 gold prospects (**Figure 3**) near the historic Rainy Rocks gold workings in the northern portion of the Project.

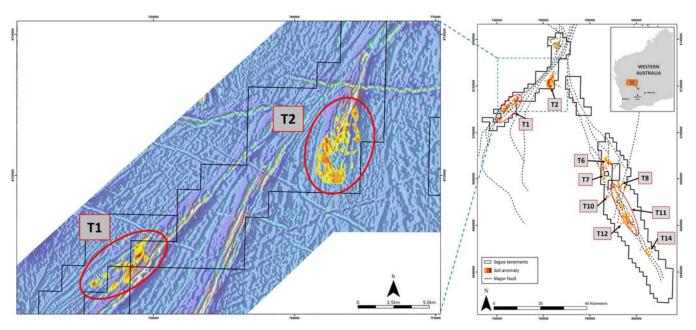


Figure 3: T1 and T2 gold prospects

Figure 4: Barlee Gold Project location map

A total of 199 aircore holes for 3,750m (average 19m) were completed over the T1a and T2 prospects. In addition, 8 RC holes for 965m (average 121m) were completed over two lines at T2. Assay results for all holes are expected to be received by the end August 2017.

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

Segue Resources Limited

Mr Steven Michael Managing Director

E: info@segueresources.com

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.