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segue RESOURCES LTD

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MULTIPLE PEGMATITES INTERSECTED AT GASCOYNE LITHIUM PROJECT

Segue Resources Limited (**Segue** or the **Company**) is pleased to provide an update on its 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.

The 2,500m RC drill programme was designed to test the lateral extent, depth and orientation of the 1.8km x 1.2km prospect (**Figure 1**). The first six (6) holes of the planned 17 hole programme have been completed with significant pegmatites intersected in several drill holes up to 35m thick. The intersections are consistent with the previously mapped and sampled surface outcrops and contain mineralisation indicative of LCT pegmatites.

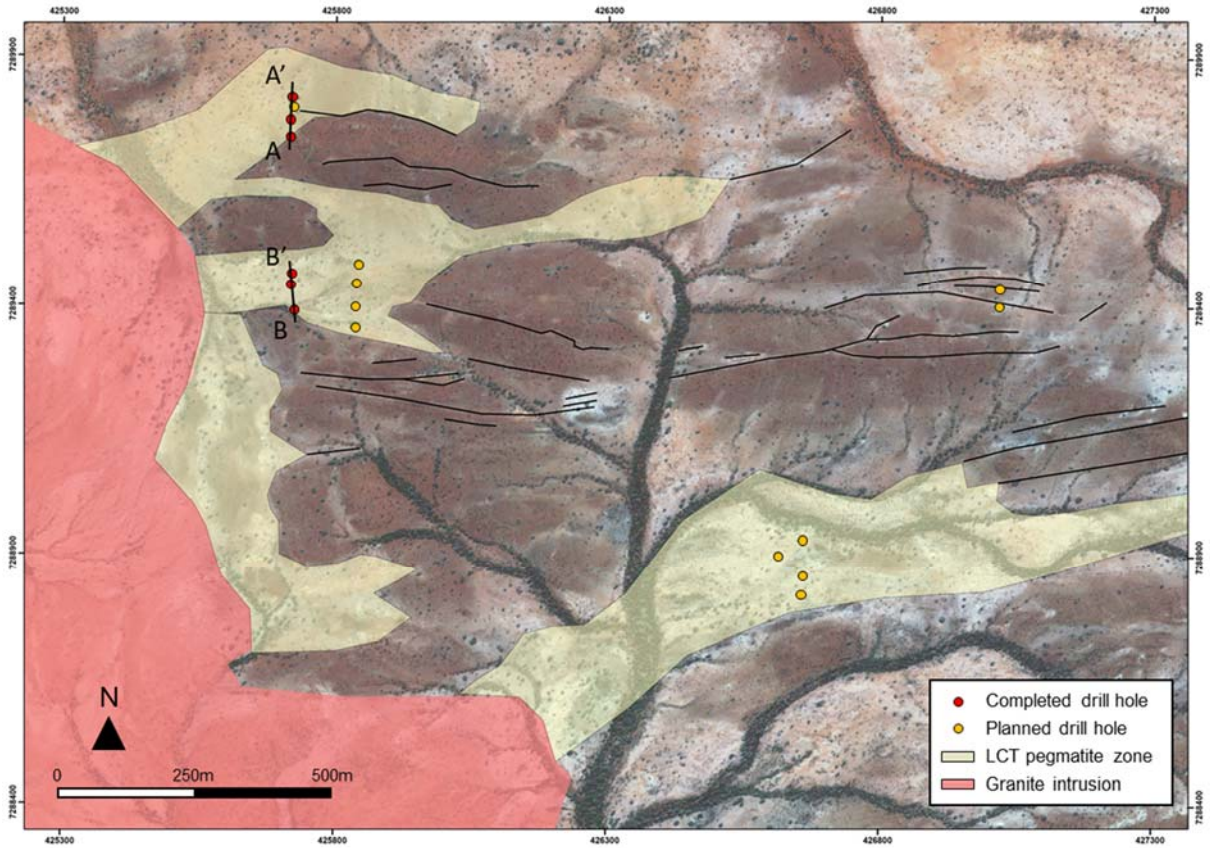

Figure 1: Gascoyne Lithium Project location map

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The drilling to date has confirmed that the Reid Well Prospect consists of a pegmatite swarm with multiple steeply dipping pegmatites, within an intensely altered metasedimentary schist package with abundant tourmaline alteration (**Figures 4 & 6**).

Figure 2: Drill rig at GASRC0005 intersecting pegmatite

One metre samples for the first six holes have been dispatched to ALS Laboratories in Perth with assays expected within the next two weeks. Drilling at the Gascoyne Project will be completed this week with final assays expected by the end of September 2017.

Figure 3: Rock chip previously collected from section A-A' grading 3.77% Li_2O (see Figure 4)

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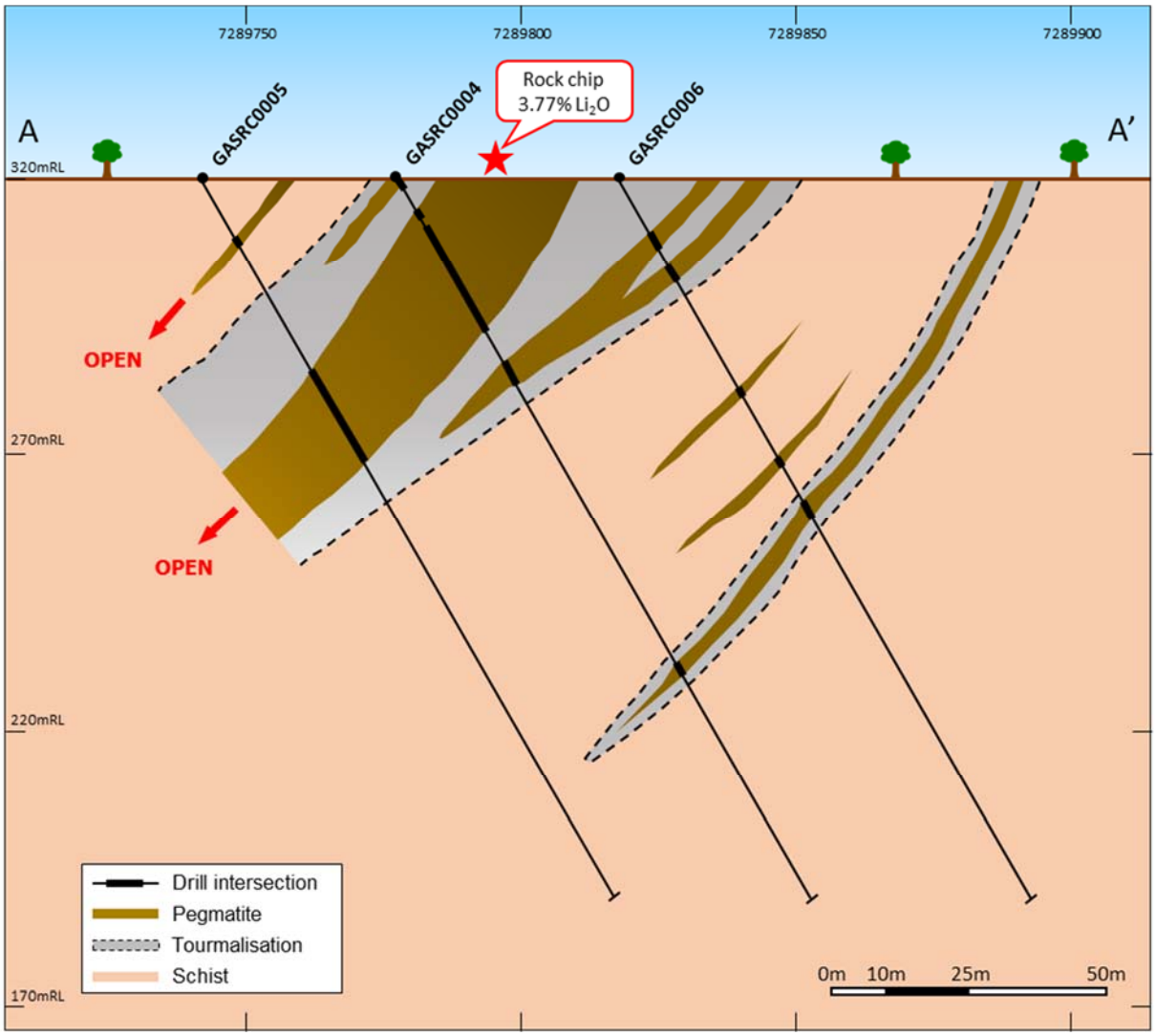

Figure 4: Cross section A-A' showing south dipping pegmatite swarm within tourmaline altered metasediments

Figure 5: GASRC0004 Showing the top 60m including pegmatites from 0m-4m, 7m-31m and 39m-44m

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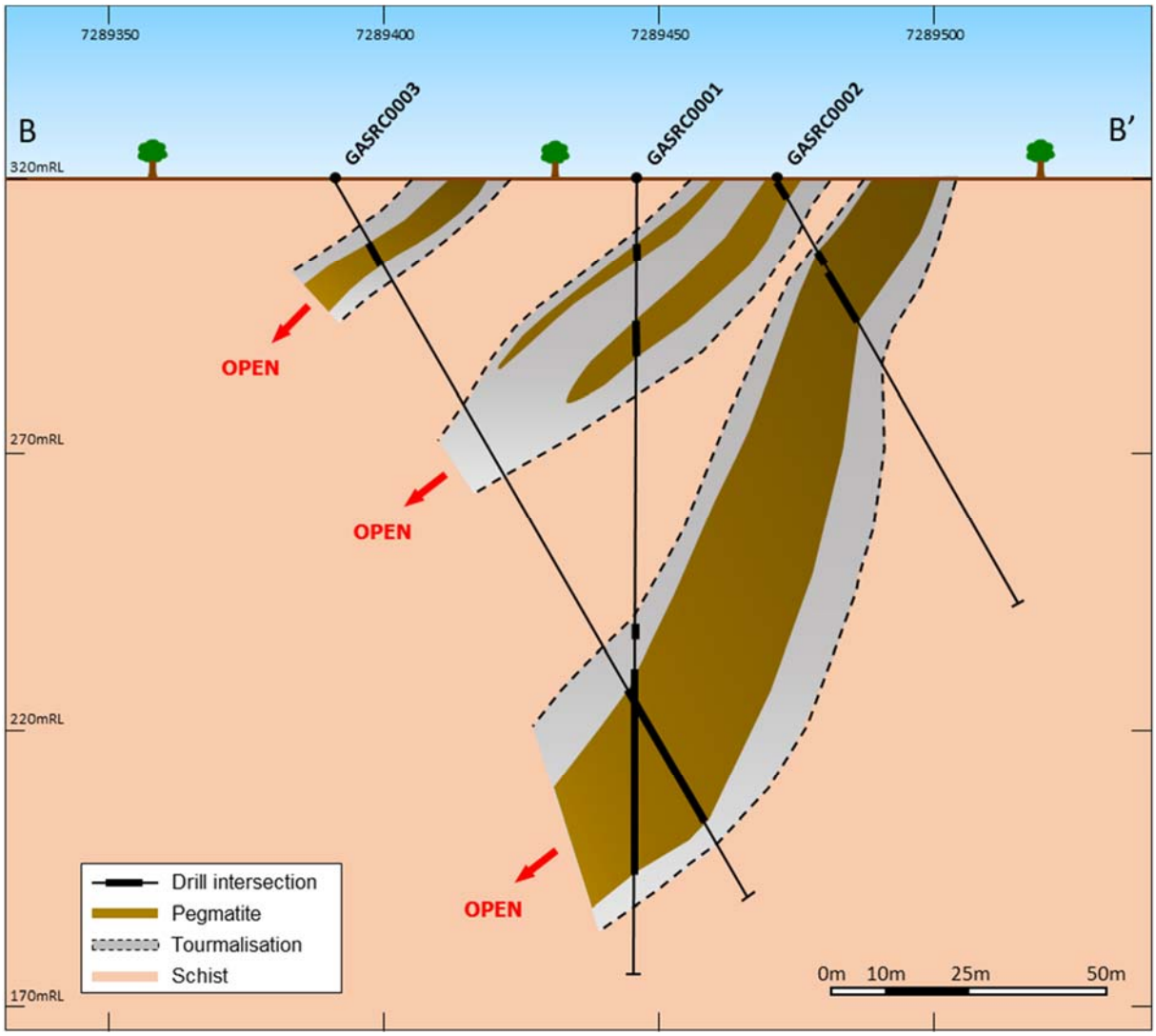

Figure 6: Cross section B-B' showing south dipping pegmatite swarm within tourmaline altered metasediments

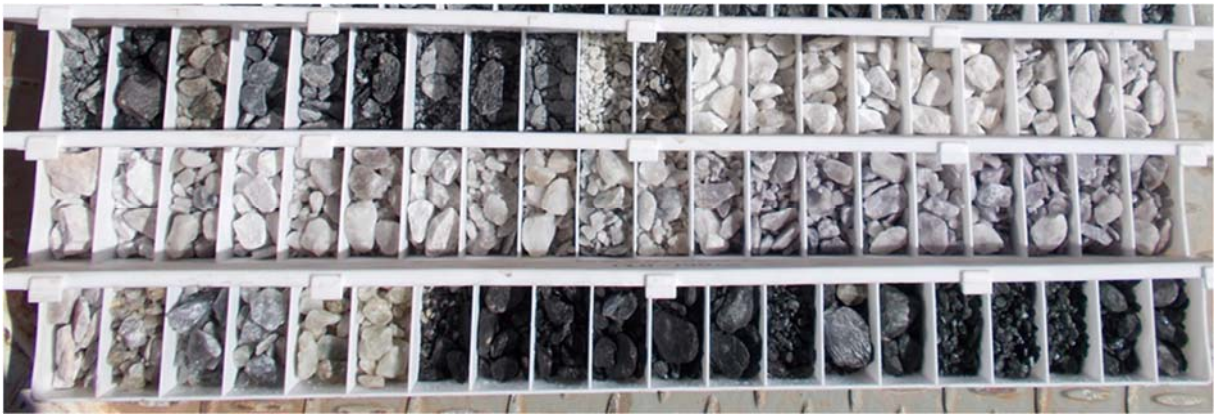

Figure 7: GASRC0001 from 80m-140m showing pegmatites 82m-83m and 91m-126m

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Appendix 1: Drill Collar Information

Hole ID	MGA East	MGA North	RL	Dip	Azimuth	EOH Depth
GASRC0001	425718	7289442	322	-90°	0°	144m
GASRC0002	425719	7289464	322	-60°	0°	90m
GASRC0003	425725	7289391	321	-60°	355°	144m
GASRC0004	425716	7289773	318	-60°	0°	150m
GASRC0005	425717	7289739	319	-60°	0°	150m
GASRC0006	425719	7289818	318	-60°	0°	150m

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.

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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• Reverse Circulation (RC) chips were collected at 1m intervals via a static cone splitter mounted beneath a cyclone return system attached to the RC Drill Rig. • The static cone splitter produces up to two samples in calico bags and a bulk reject sample, which was collected in green bags.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• The static cone splitter was set up to split a ~3kg sample into a calico bag for analysis. • All bulk reject sample material was collected in green bags and preserved on site for any future test work or verification. • Duplicate splits from the static cone splitter were collected at a ~1:20 ratio whilst in the pegmatite zone. • Sample weights have been recorded and reported by the lab.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types*	• Reverse circulation drilling was used to obtain 1m samples from which ~3kgs was obtained via a rig mounted static cone splitter. • These samples will be dispatched to ALS Laboratories in Perth for sample preparation and analysis. • 3 kg samples will be pulverised to 85% passing 75 micron for a sodium peroxide fusion of an 0.2g aliquot followed by ICP-MS for 25 elements (ALS Laboratories technique MS91-PKG).

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Criteria	JORC Code explanation	Commentary
	(eg submarine nodules) may warrant disclosure of detailed information.	• If the samples are greater than 3kgs, then the samples will be riffle split to obtain a 3kg sample.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation drilling comprised of a 133mm face sampling bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• RC recoveries are visually inspected on the rig and recorded in the drilling database. • Bulk reject samples have been collected in green bags to allow weighing and calculating drill recoveries should a higher level of accuracy and precision be required. • Sample weights of the 1m calico splits have been recorded by the lab.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• RC samples are visually inspected during drilling to ensure sample recovery is satisfactory. • Duplicates are taken from the static cone splitter at ~1:20 intervals during drilling of pegmatite bodies. • Driller holds up drilling at each 1m interval to ensure sample has had time to travel up the drill string
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No bias is known at this stage.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate*	• All RC chips have been logged for lithology, mineralogy, weathering, regolith and alteration whilst in the field.

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	Mineral Resource estimation, mining studies and metallurgical studies.	
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• All field descriptions are qualitative in nature. Chip trays have been retained for further work and re-interpretation if required.
	• *The total length and percentage of the relevant intersections logged.*	• All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• No core reported.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• All samples were collected on the rig using a static cone splitter. Most (>90%) of the samples in the pegmatite zone were dry.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• All samples were sent to ALS Laboratories in Perth for sample preparation and analysis using standard codes and practices.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• No subsampling undertaken.
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• Field duplicates, certified reference materials (CRMs) and blanks were collected/inserted at a ~1:20 ratio within the pegmatite zones.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• 3kg samples are considered appropriate for the rock type and style of mineralisation.
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• All samples were submitted to ALS laboratories in Perth. • Sample Preparation included riffle split to a maximum of 3kg (if required) and then pulverized to 85% passing 75 micron. • Sodium peroxide fusion of a 0.2g aliquot followed by ICP-MS for 25 elements.

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laboratory tests		• Sodium peroxide fusion is considered a total digest. • This procedure is considered appropriate for LCT pegmatite analysis.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• No geophysical results discussed.
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The laboratory analyses a range of internal and industry standards, blanks and duplicates as part of the analysis.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• No verification of significant results has taken place at this time.
	• *The use of twinned holes.*	• No twin holes have been drilled.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Primary data is recorded in the field in geological log books. This data is then recorded in a spreadsheet and imported to a digital database software package.
	• *Discuss any adjustment to assay data.*	• No assays have been received at this time.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• Sample locations were recorded with a Garmin handheld GPS which has an accuracy of +/-5m.
	• *Specification of the grid system used.*	• GDA94 MGA Zone 50.
	• *Quality and adequacy of topographic control.*	• The level of topographic control offered by the handheld GPS is

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		considered sufficient for the work undertaken.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results*	• Drill holes are spaced at 20-40m along lines. At this stage only single lines have been drilled over each prospect.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource estimation purposes.
	• *Whether sample compositing has been applied.*	• Samples have not been composited.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• With the exception of the first drill hole, all holes were drilled at 60 degrees towards the north to intersect the pegmatite zones as close to perpendicular as possible.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The pegmatites are interpreted as dipping steeply to the south. The first hole was drilled vertical which will not represent true. thickness, and subsequent angled holes may also introduce minor increases to truth widths. • Further drilling is required to confirm the true orientation of the pegmatites across multiple lines.
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected, stored and delivered to the lab by company personnel.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been undertaken.

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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• The sampling reported herein is within tenement E09/2169. • E09/2169 is held by Next Advancements Pty Ltd which is a 100% owned subsidiary of Segue Resources Limited. • At the time of this Statement, the exploration license is live and in good standing. To the best of the Company's knowledge there are no impediments to Segue's operations within the tenement.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The tenement is live and in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• This report refers to data generated by Segue Resources. • No previous LCT pegmatite exploration has been carried out over the project area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Pegmatites that are prospective for lithium, caesium and tantalum (LCT).
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in*	• Refer to Appendix A.

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Criteria	JORC Code explanation	Commentary
	metres) of the drill hole collar o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• No weighted averaging techniques used.
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• No aggregate intercepts reported.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalent values reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The pegmatites are interpreted as dipping moderately to steeply towards the south. The first hole was drilled vertical which will not represent true thickness, and subsequent angled holes may also introduce minor increases to truth widths. • Further drilling is required to confirm the true orientation of the pegmatites across multiple lines. • At this stage drill intercepts should be considered as down hole length, true width not known.

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Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures within the announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• No assays have been received at this time.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All meaningful and material exploration data has been reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Planned future work includes the pending assays, and should further work be warranted, then mineralogical testing and step out drilling will be conducted.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Refer to figures within the announcement.

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