

6 November 2017

GOLD NUGGETS DISCOVERED AT PILBARA GOLD PROJECT

HIGHLIGHTS:

- Gold nuggets identified shedding from outcropping conglomerates of the Witwatersrand Basin equivalent Mallina Basin
- Gold-uranium anomalies identified within Mallina Basin sediments and conglomerates
- Gold-arsenic anomalies identified along mineralised structures related to Indee Gold Project and recent Blue Moon gold discovery

Segue Resources Limited (**Segue** or the **Company**) is pleased to announce that prospectors have recently uncovered several gold nuggets shedding from conglomerate units of the Mallina Basin on exploration licence E47/3476 (**Figure 1**). In addition to the gold nuggets found during the short prospecting trip, there was considerable evidence of previous prospector activity throughout the tenement.

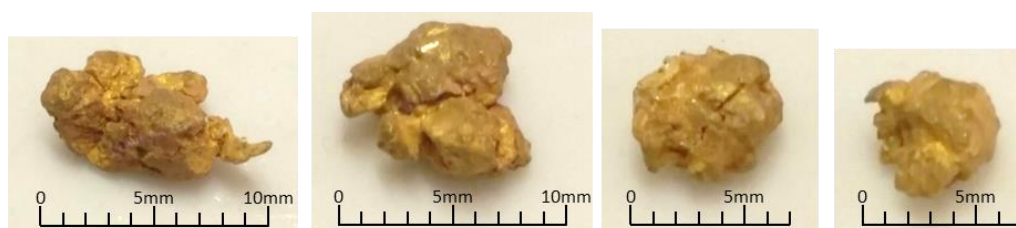


Figure 1: Gold nuggets discovered on Segue's exploration licence E47/3476

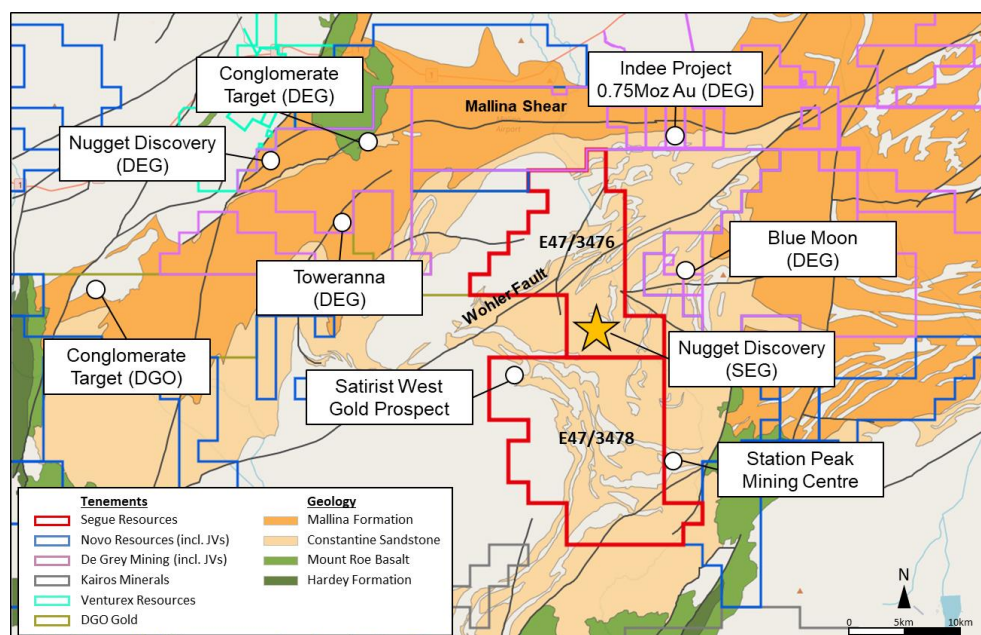


Figure 2: Segue's central tenements (red) over interpreted bedrock geology and major linear structures

The short prospecting programme was completed on exploration licence E47/3476. Segue has completed a targeting exercise over E47/3476 (north) and E47/3478 (south), highlighting nine (9) conglomerate or basement gold targets (**Figures 3 & 4**).

Paleoplacer gold within the Witwatersrand Basin is often associated with detrital uranium providing a useful targeting tool for the Pilbara due to the abundance of outcropping bedrock. Segue has reprocessed available radiometric surveys, highlighting seven (7) conglomerate gold targets with uranium anomalies over mapped conglomerates and meta-sediments of the Mallina Basin (**Figure 3**).

Historical surface geochemistry data was also reviewed as part of the targeting exercise with three (3) of the uranium anomalies having coincident elevated gold in stream or gold in soil values, enhancing the prospectivity of the prospects. The remaining four (4) conglomerate gold targets have not had any previous exploration over them and remain high priority targets.

The two (2) basement gold targets are located along significant shear structures splaying off the Mallina Shear which hosts De Grey Mining Limited's (**De Grey**) (ASX: DEG) Indee Gold Project and the Blue Moon Prospect and associated nuggets, which was recently acquired by De Grey (**Figure 4**). Target 1 is a gold-arsenic anomaly situated along splay faults off the Mallina and Wohler Shears. Target 2 is located along the same structure as the Blue Moon Prospect and is also a coincident uranium anomaly within conglomeratic sediments.

Segue is currently undertaking a review of its recently acquired tenements (E45/5042 and E45/5043) which were pegged over the prospective Mallina Basin and the Tappa Tappa Shear adjacent to the Cooke's Hill gold mine.

Segue will undertake geological mapping and rock chipping of the areas around the gold nugget discoveries in December 2017. Systematic prospecting and exploration on all of the Pilbara Gold Project tenements (over 600km²) will commence in 1Q 2018, once all approvals and access agreements are in place. The exploration programme will include rock chipping, stream sediment and soil sampling over all nine (9) gold target areas.

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.

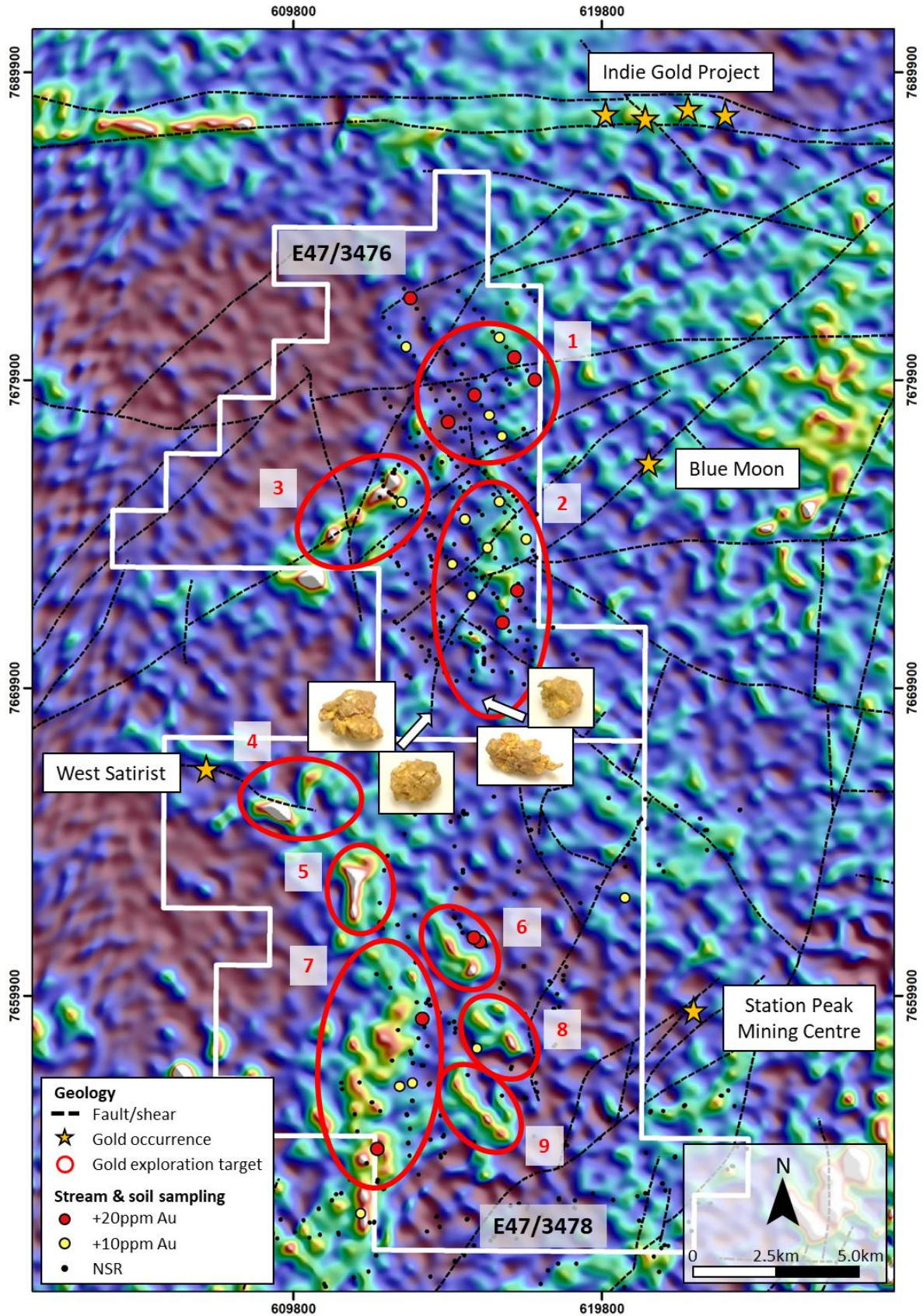
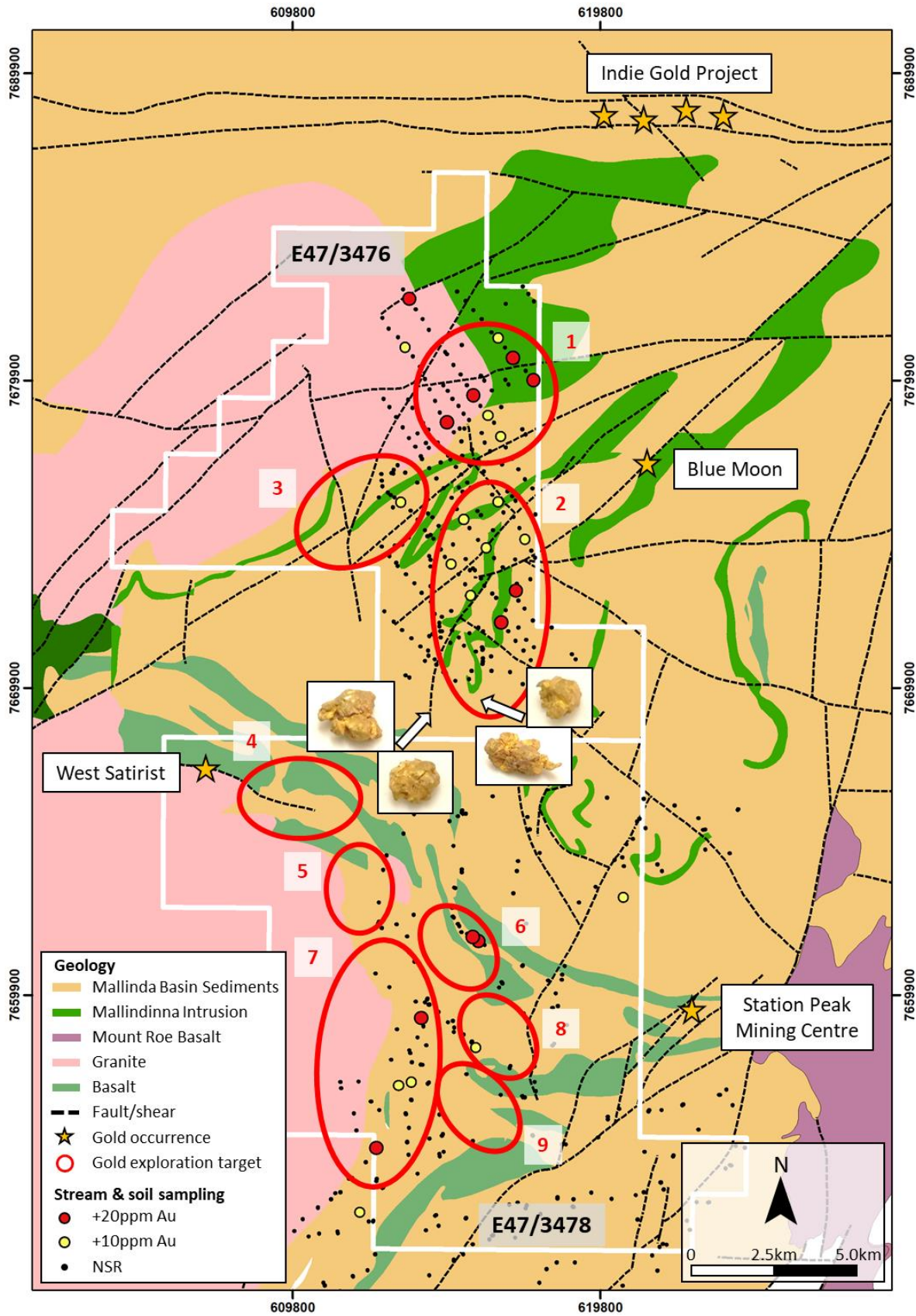


Figure 3: Radiometric map (U2/Th) with surface geochemical anomalies and gold targets



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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Stream sediment and soil samples collected by previous explorers. Prospecting: <ul style="list-style-type: none"> Gold nuggets have been found using hand held metal detectors.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Unknown. Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. Prospecting: <ul style="list-style-type: none"> It is not possible to ensure sample representivity with metal detecting.
	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Unknown. Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. Prospecting: <ul style="list-style-type: none"> Once an area has been prospected, the nuggets, which are used to determine mineralisation, are gone. Thus, if an area has been

Criteria	JORC Code explanation	Commentary
	<i>sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	prospected before, then there is no material to determine mineralisation. Now that the area has been prospected, these nuggets cannot be verified by duplication or repeat sampling over a site. Further, metal detecting is hampered by local environment such as thick scrub or coarse colluvium which can hinder accurate coverage of an area. Essentially, metal detecting should never be relied upon for determining mineralisation as it lends itself to false negatives, is un-repeatable, and not representative of an area.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>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).</i> 	<ul style="list-style-type: none"> • No drilling reported.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> 	<ul style="list-style-type: none"> • No drilling reported.
	<ul style="list-style-type: none"> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> 	<ul style="list-style-type: none"> • No drilling reported.
	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • No drilling reported.
<i>Logging</i>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> 	<ul style="list-style-type: none"> • No logging undertaken.
	<ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or</i> 	<ul style="list-style-type: none"> • All field descriptions are qualitative in nature.

Criteria	JORC Code explanation	Commentary
	<i>costean, channel, etc) photography.</i>	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> No logging undertaken
	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> No core drilling reported
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	<ul style="list-style-type: none"> No drilling reported
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Stream and soil samples were sieved in the field to various size fractions depending on the technique used by the Company. Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. Prospecting: <ul style="list-style-type: none"> No sample preparation for digging up nuggets.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> No subsampling undertaken.
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Unknown. Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. Prospecting: <ul style="list-style-type: none"> Sampling is not representative of the in-situ material and cannot be duplicated. 	
<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Unknown. 	

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> - Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. • Prospecting: <ul style="list-style-type: none"> - No.
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <hr/> <ul style="list-style-type: none"> • <i>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.</i> <hr/> <ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Historical Surface Samples: <ul style="list-style-type: none"> - All historical surface samples were submitted to reputable assay laboratories in Western Australia and are considered appropriate for surface sampling. Some were aqua regia and are partial and others are four assay which is considered a near-total digest. - Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. • Prospecting: <ul style="list-style-type: none"> - No assaying of nuggets undertaken. <hr/> <ul style="list-style-type: none"> • Historical airborne geophysics have been compiled and reprocessed by consulting group Southern Geoscience Consultants. • Historical data is considered suitable quality and fit for purpose. <hr/> <ul style="list-style-type: none"> • Historical Surface Samples: <ul style="list-style-type: none"> - Unknown. - Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. • Prospecting: <ul style="list-style-type: none"> - No QAQC.
	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or</i> 	<ul style="list-style-type: none"> • None undertaken.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<p><i>alternative company personnel.</i></p> <ul style="list-style-type: none"> • <i>The use of twinned holes.</i> 	<ul style="list-style-type: none"> • No twin holes have been drilled.
	<ul style="list-style-type: none"> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> • Historical Surface Samples: <ul style="list-style-type: none"> - Unknown. - Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. • Prospecting: <ul style="list-style-type: none"> - Primary data recorded by prospectors in the field using hand held GPS and log books which were then entered into a spread sheet and sent to the Company.
Location of data points	<ul style="list-style-type: none"> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • No adjustments were made to assay data.
	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Historical Surface Samples: <ul style="list-style-type: none"> - Unknown. - Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. • Prospecting: <ul style="list-style-type: none"> - Locations recorded with a handheld GPS unit which has an accuracy of +/- 5m.
	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> • GDA94 MGA Zone 50.
	<ul style="list-style-type: none"> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • The level of topographic control offered by the handheld GPS is considered sufficient for the work undertaken.
	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results</i> 	<ul style="list-style-type: none"> • Historical Surface Samples: <ul style="list-style-type: none"> - Sample spacing varied from dataset to dataset. - Data sourced from WAMEX Reports a75291, a99331, a87973,

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Data spacing and distribution		a103435, a104153.
	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Prospecting: <ul style="list-style-type: none"> - Random data spacing depending on what ground looked attractive to the prospector at the time and what ground they could effectively swing their metal detector over.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	<ul style="list-style-type: none"> • The orientation of mineralised structures is unknown at this time.
	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Further work is required to confirm the true orientation of the mineralised structures.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Historical Surface Samples: <ul style="list-style-type: none"> - Unknown. - Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. • Prospecting: <ul style="list-style-type: none"> - Prospectors are generally very protective of their samples.

Criteria	JORC Code explanation	Commentary
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> The Pilbara Gold Project is comprised of 2 granted and 2 pending Exploration Licenses (E47/3476, E47/3478, E45/5042, E45/5043) which are held by Segue (Gascoyne) Pty Ltd which is a 100% owned subsidiary of Segue Resources Ltd. There are no JVs, Partnerships or overriding royalties associated with these tenements. There are no Native Title Claims over the E47/3476. E47/3478 is located within the Yandeyarra Native Reserve R31427.
	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Tenements E47/3476 and E47/3478 have been granted and are currently live and in good standing. E45/5042 and E45/5043 are currently pending and in good standing with no known impediments.
<i>Exploration done by</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> This report refers to data generated by Chalice Gold Mines, Fortescue Metals Group and Farno McMahon Pty Ltd who have explored parts of the project area for gold, uranium, nickel and

Criteria	JORC Code explanation	Commentary
<i>other parties</i>		iron.
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Pilbara Gold Project is located within the Mallina Subbasin of the De Grey Supergroup in the North Pilbara region of Western Australia. • The ground is prospective for conglomerate hosted gold, orogenic gold and Ni-Cu-PGE mineralisation of the Millindinna Intrusions.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • No drilling reported.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • No exploration results reported.
	<ul style="list-style-type: none"> • <i>Where aggregate intercepts incorporate short lengths of high grade</i> 	<ul style="list-style-type: none"> • No exploration results reported.

Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> No exploration results reported.
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> 	<ul style="list-style-type: none"> No exploration results reported.
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Refer to figures within the announcement.
<p><i>Balanced reporting</i></p>	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Historical Surface Samples: <ul style="list-style-type: none"> Only soils and streams reported. Data sourced from WAMEX Reports a75291, a99331, a87973, a103435, a104153. Prospecting: <ul style="list-style-type: none"> Only nuggets shown from locations where they are found. No information provided regarding ground covered, nor evidence of previous prospecting.

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> All meaningful and material exploration data has been reported.
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> 	<ul style="list-style-type: none"> Finalise access agreement with the Yandeyarra Community for tenement E47/3478. Execute a project wide BLEG and multi-element stream sediment program. Mapping, rock chipping and prospecting around currently identified prospects.
	<ul style="list-style-type: none"> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Refer to figures within the announcement.