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

## HIGH PRIORITY NICKEL TARGETS IDENTIFIED AT PLUMRIDGE

### HIGHLIGHTS:

- Large-scale, multi-phase gravity survey completed at the Plumridge Nickel Project.
- 3D inversion modelling of gravity and magnetic data has identified possible mantle tapping structures with near-surface dense bodies proximal to a major north-west trending corridor.
- Assessment of over 130 anomalies has categorised fifteen (15) high priority target areas forming two district scale clusters for immediate follow-up exploration.
- Exploration in 3Q 2015 will focus on confirming the presence for mafic/ultramafic intrusions with fertile geochemistry before direct targeting of massive Ni-Cu mineralisation.

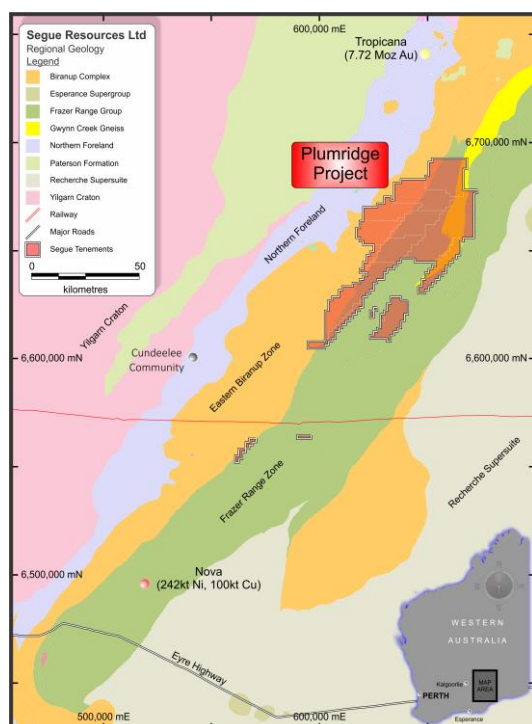


Figure 1: Plumridge Nickel Project Location Map

### Key Facts:

#### Segue Resources Limited

ASX Code:	SEG
Share price (25/5/15):	0.5¢
52 week range:	0.4¢-1.8¢
Shares on issue:	2,056m
Market cap.:	\$10.3m

#### Plumridge Nickel & Gold Project

Location:	Fraser Range, WA
Tenement holding (100%):	3,150km <sup>2</sup>

#### Deralinya Nickel Project

Location:	Fraser Range, WA
Tenement holding (100%):	1,620km <sup>2</sup>

#### Pardoo Nickel Project

Location:	Pilbara, WA
Tenement holding (100%):	315km <sup>2</sup>

Segue Resources Limited (**Segue** or the **Company**) is pleased to provide an update on its exploration activities at the Plumridge Nickel Project in the Fraser Range Province of Western Australia. Segue has a 100% interest in over 3,150 km<sup>2</sup> of granted exploration licences at the Plumridge Project, which lies approximately 150km north-east of the Nova-Bollinger nickel-copper deposit.

### **Project-wide gravity survey results**

Over the past five months, Segue has undertaken one of the largest gravity surveys in the Fraser Range Province, comprising over 19,000 gravity stations and 2,345 line kilometres. The gravity survey covered the entire Plumridge Nickel Project area on a spacing of 1,600m x 100m, with a more detailed survey over the E21 Target area on spacing of 800m x 100m.

Project-wide gravity and magnetic data has been imaged by the Company's geophysical consultants through 3D inversion modelling methods to:

- Provide insight into the tectonic architecture of the Project area to better understand mechanisms and pathways for large scale intrusion of fertile mafic-ultramafic magmas;
- Identify gravity anomalies (dense bodies) in near surface positions that may represent mafic intrusions capable of hosting nickel sulphides;
- Focus on dense bodies associated with near-surface disruptive (ovoid) magnetic features and major structural intersections that provide magma pathways to deeper bodies; and
- Remove the large number of false positive EM conductors associated with graphitic schists that are pervasive throughout the region.

As previously reported, 3D inversion modelling of the preliminary gravity data highlighted a major zone of disruption in the basement architecture (Transform Graben Zone (**TGZ**)), which is of primary importance in providing a potential magma pathway from the mantle to the upper crust.

The most recent 3D inversion modelling has continued to support the presence of this major crustal scale feature, and has refined it into a major corridor of deep-seated NW-SE structures which cross-cut the general SW-NE linear stratigraphy seen in the Fraser Range Complex (**Figure 2**).

### **Exploration Targeting and Ranking Methodology**

Segue has conducted a thorough review of all available datasets, including gravity (2D images and 3D inversion modelling), magnetic data and geological mapping to create a portfolio of prioritised exploration targets at the Plumridge Nickel Project.

Segue has applied several criteria to rank the target areas, including:

- High-density anomalies with depth extent evident in the 3D gravity inversion modelling (**Figure 3**);
- Priority given to anomalies within the Fraser Range Complex geological domain;
- Proximity to dense bodies within 2.5km of the major NW/SE cross-cutting structures;
- Coincidence with a near-surface disruptive magnetic feature; and
- Size, shape and depth of gravity anomaly able to be adequately explored and assessed through shallow drilling and ground-EM surveying, and large enough to host a significant nickel-sulphide deposit.

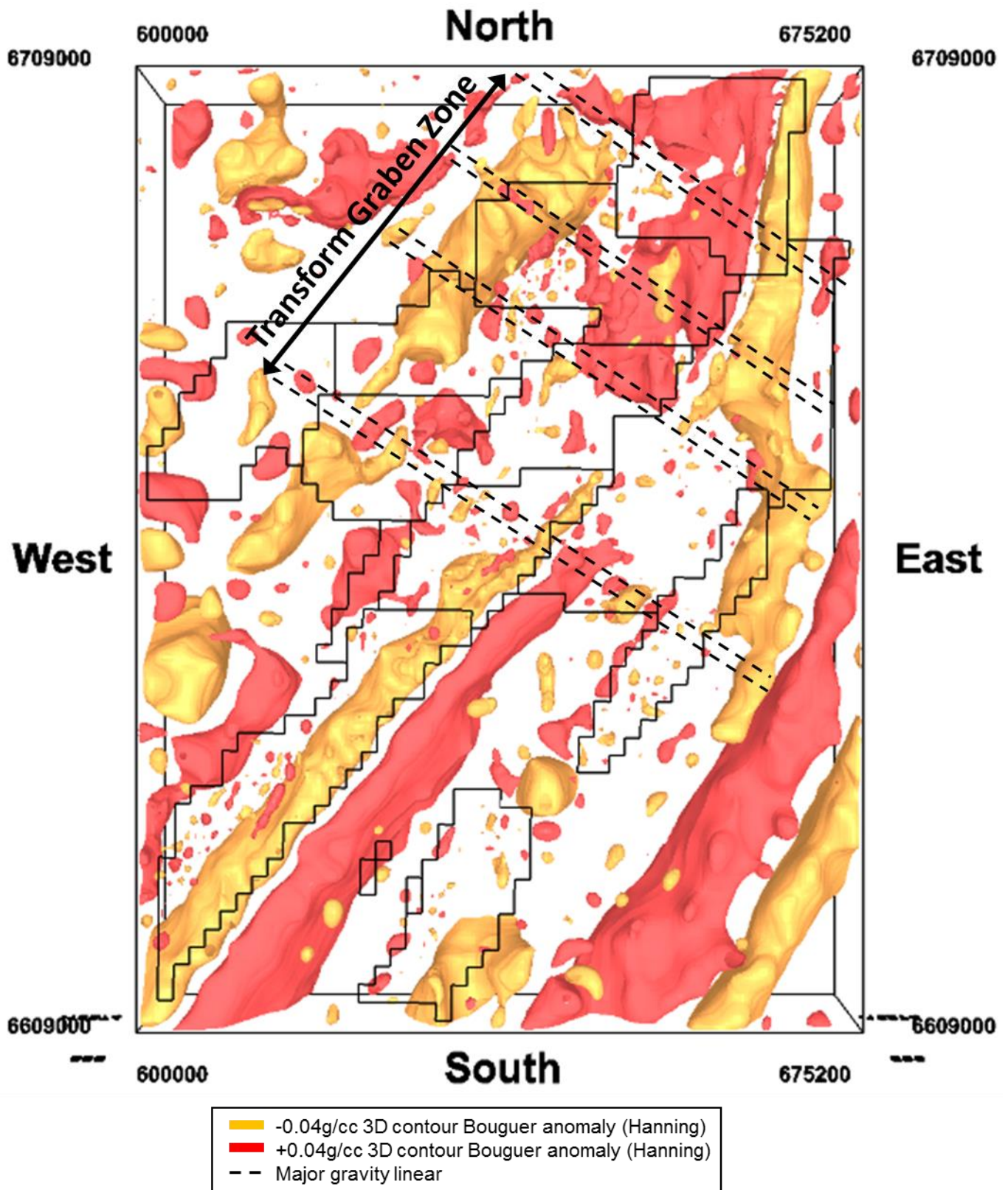


Figure 2: 3D gravity inversion model showing major gravity linearments



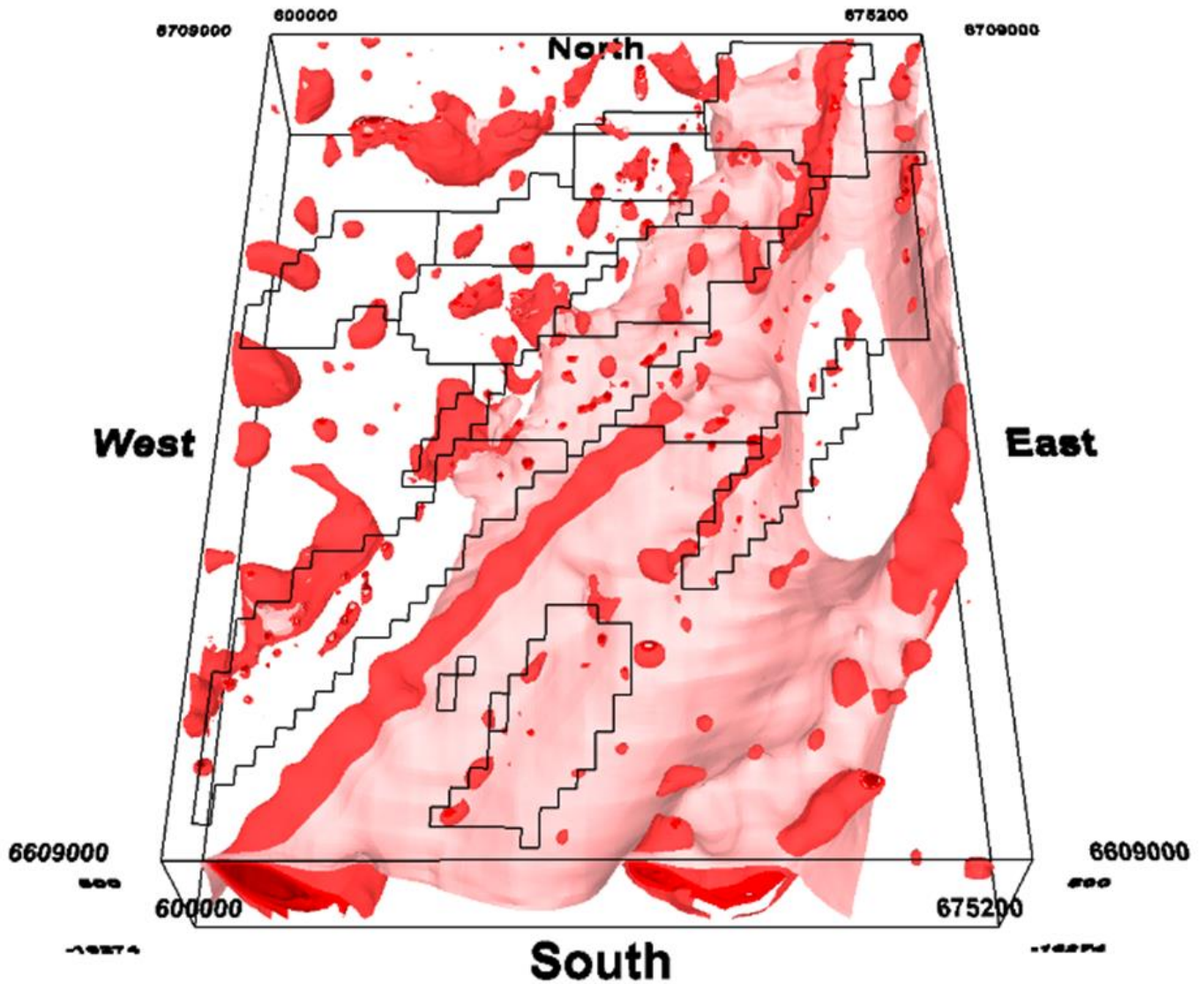


Figure 3: 3D gravity inversion model (Bouguer anomaly >0.04g/cc)

### High Priority Exploration Targets

Using the above ranking criteria, Segue has been able to prioritise 15 exploration targets from an initial suite of over 130 anomalies (**Figure 4**). These priority targets form two clusters each covering an areal extent consistent with a mineralised district. The targets all lie within the TGZ and are consistent with the Company's geological and mineral emplacement models.



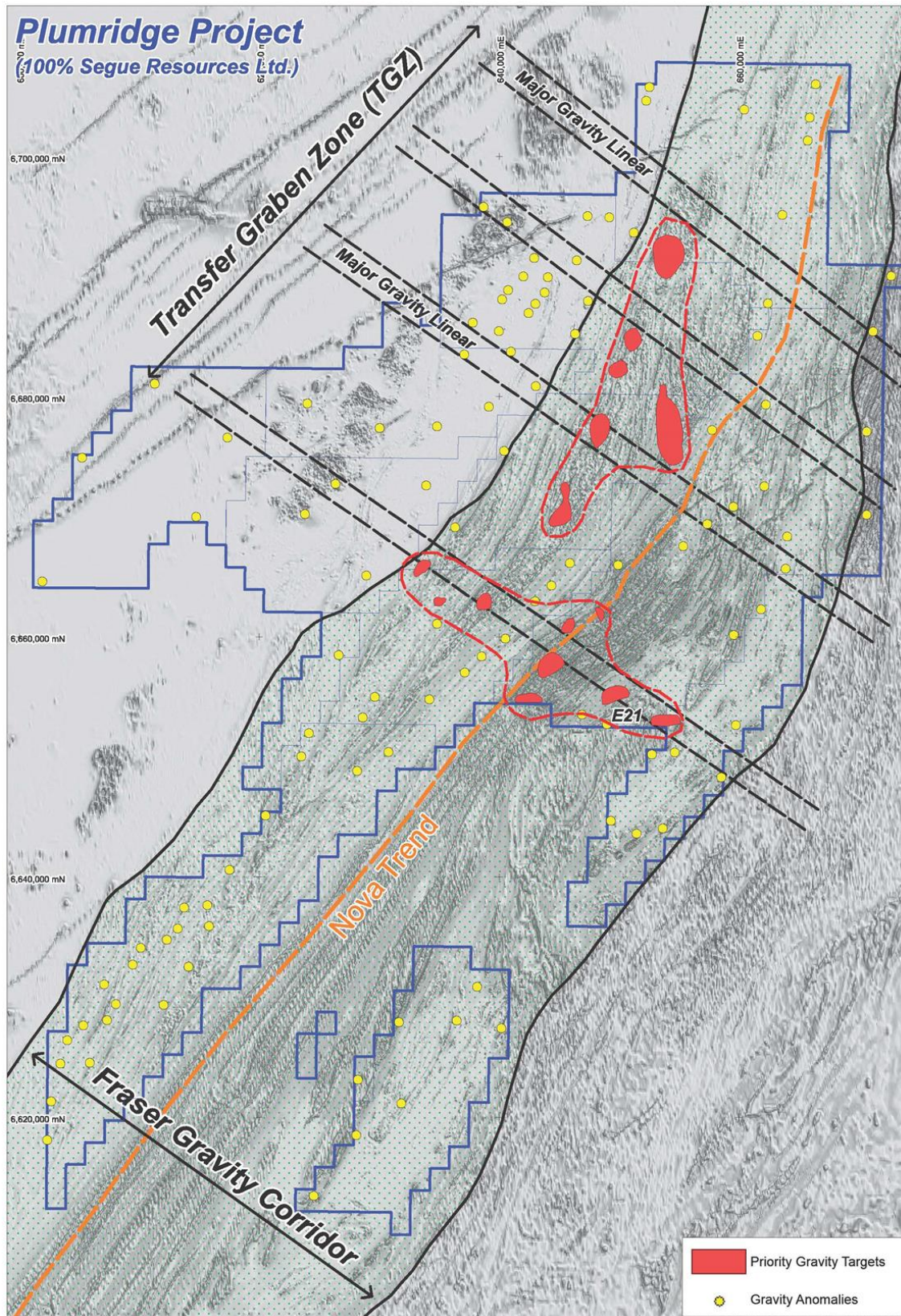


Figure 4: High priority exploration targets on airborne magnetic data

### Exploration Work Programme

A subset of the 15 highest priority targets will be assessed in the first phase of systematic follow-up which will commence in 3Q 2015 and will include:

- Desk-top modelling of detailed geophysical line data to confirm the size and depth of the target;
- Low-cost, shallow drilling to confirm the presence of mafic-ultramafic intrusions in the target areas;
- Geochemical fingerprinting of the intrusive rocks to identify those with fertile chemistry for nickel sulphides; and
- Ground EM surveying and drill testing of the fertile targets to directly intersect nickel sulphide mineralisation.

Commenting on the gravity survey and high priority exploration targets, Segue's Managing Director, Mr Steven Michael, said:

*Over the past six months Segue and its exploration team has collected a project-wide gravity dataset which has provided an enormous insight into the tectonic architecture of the Fraser Range Province and, more importantly, the key structures which are essential for mineral emplacement at the Plumridge Nickel Project.*

*The gravity survey generated over 130 anomalies, which Segue has reduced to 15 high priority exploration targets by applying several criteria relating to pervasiveness of the gravity anomaly, regional geology, proximity to cross-cutting structures and physical properties. The next stage of exploration, focussing on two key target areas, will commence in 3Q 2015 and will include drill testing of 5 – 6 prioritised targets.*

For further information visit 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 Peter Langworthy who is a Member of The Australian Institute of Geoscientists. Mr Langworthy 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 Langworthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



# 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"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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 (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	Ground based Gravity Survey on a 800x 100m grid (E21 target) and 1600x100m grid (Regional) with infill over areas of interest. The gravity survey was undertaken by Atlas Geophysics Pty Ltd using Scintrex CG5 gravity meters with accuracies better than 0.01 mGal. Position and level data was acquired with Leica GS14 receivers operating in post processed mode to give horizontal and vertical accuracies greater than 0.05m. GPS control points within the area was established using the AUSPOS processing facility and static data recorded at 5 second epochs. Gravity control was established via ties to local Atlas and AFGN stations. 3% of the survey was repeated to ensure quality and integrity. Preliminary data was delivered to the client for verification and infill planning every two days or as requested.
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	Locations were measured with a Leica Viva GS14 GPS system, with xyz accurate to 1cm.
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	Line spacing for the survey were either at 800m or 1600m (N-S) with sample spacing at 100m (E-W). It is anticipated that line spacing could come down to 200m and 50m station spacing during programs of infill surveying.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	Geological structure in the Fraser Range generally runs N-S, the survey being implemented reflects this with a relatively dense sample spacing (E-W) and wide line spacing (N-S)
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	All data is digitally stored by the contractor and relayed to the geophysical consultancy on a regular basis.
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	Data was audited by geophysical Consultants Newexco Pty. Ltd.

## 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"> <li>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.</li> <li>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.</li> </ul>	Tenements E28/1475, E28/2266, E28/2267, E39/1084, E39/1117, E39/1118, E39/1709, E28/2317 & E39/1731 & E39/1710 are all owned by Segue (Plumridge) Pty. Ltd. a wholly owned subsidiary of Segue Resources Ltd. All tenements do not intersect any nature reserves, areas with native title or pastoral leases.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	No previous nickel copper exploration undertaken
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	Nova Style - Mafic -Ultramafic intrusion related Ni-Cu Sulphides
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	See text for Diagrams
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	RC-Diamond drilling of priority targets is anticipated for 2015 as well as stratigraphic regional aircore drilling.