ASX Release

segue RESOURCES LTD

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ASX Code: SEG

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

EXPLORATION UPDATE – PLUMRIDGE NICKEL PROJECT

HIGHLIGHTS:

- **Reverse circulation (RC) drilling programme completed at the Plumridge Nickel Project with seven (7) holes for 985 metres.**
- **Mafic rocks with favourable litho-geochemistry intersected in drill hole PRC003 at the E1 Target – awaiting assay results and petrology.**
- **A follow-up drilling programme and EM survey at the E1 Target is currently being planned.**
- **Newly acquired data will be reviewed and merged into the geological/geophysical model to refine further targets and work programmes.**

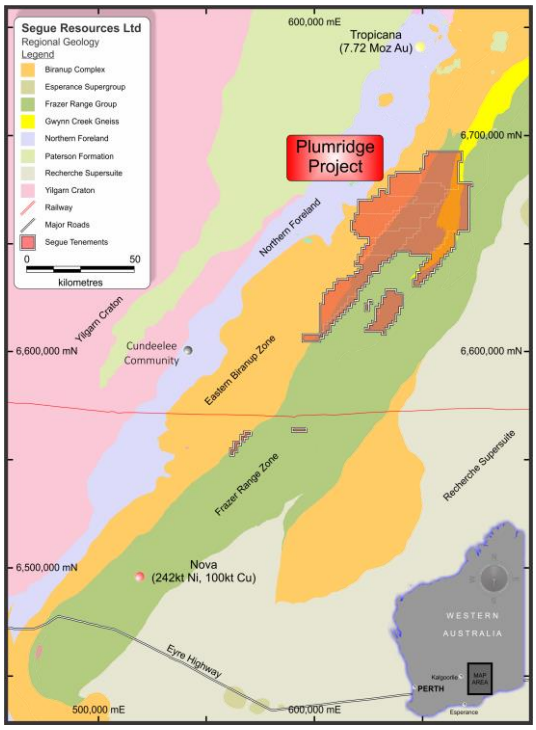

Figure 1: Plumridge Nickel Project Location Map

Key Facts:

Segue Resources Limited

ASX Code:	SEG
Share price (24/8/15):	0.2¢
52 week range:	0.2¢-1.7¢
Shares on issue:	2,639.8m
Market cap.:	$5.3m

Plumridge Nickel & Gold Project

Location:	Fraser Range, WA
Tenement holding (100%):	3,300km^2

Deralinya Nickel Project

Location:	Fraser Range, WA
Tenement holding (70%):	1,700km^2

Pardoo Nickel Project

Location:	Pilbara, WA
Tenement holding (100%[1]):	330km^2

1. Subject to farm-out joint venture may reduce to 20%.

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Segue Resources Limited (**Segue** or the **Company**) provides the following update on the recently completed reverse circulation (**RC**) drilling programme at the Company's Plumridge Nickel Project in the Fraser Range Province, Western Australia (**Figure 1**).

As previously announced, Segue identified fifteen (15) exploration targets within two district-scale clusters in the northern and central parts of the Project area. All targets lie within the Transform Graben Zone (**TGZ**) identified from the recently completed gravity survey and are consistent with the Company's geological and mineral emplacement models.

Segue has completed seven (7) RC holes for a total of 985 metres across four (4) target areas. The drilling was primarily aimed at testing a number of gravity anomalies to provide information to allow more detailed modelling of this key data set. In addition single drill holes were targeted to test a previously identified Moving Loop EM (**MLEM**) conductor (E28) and a distinct magnetic target (E17).

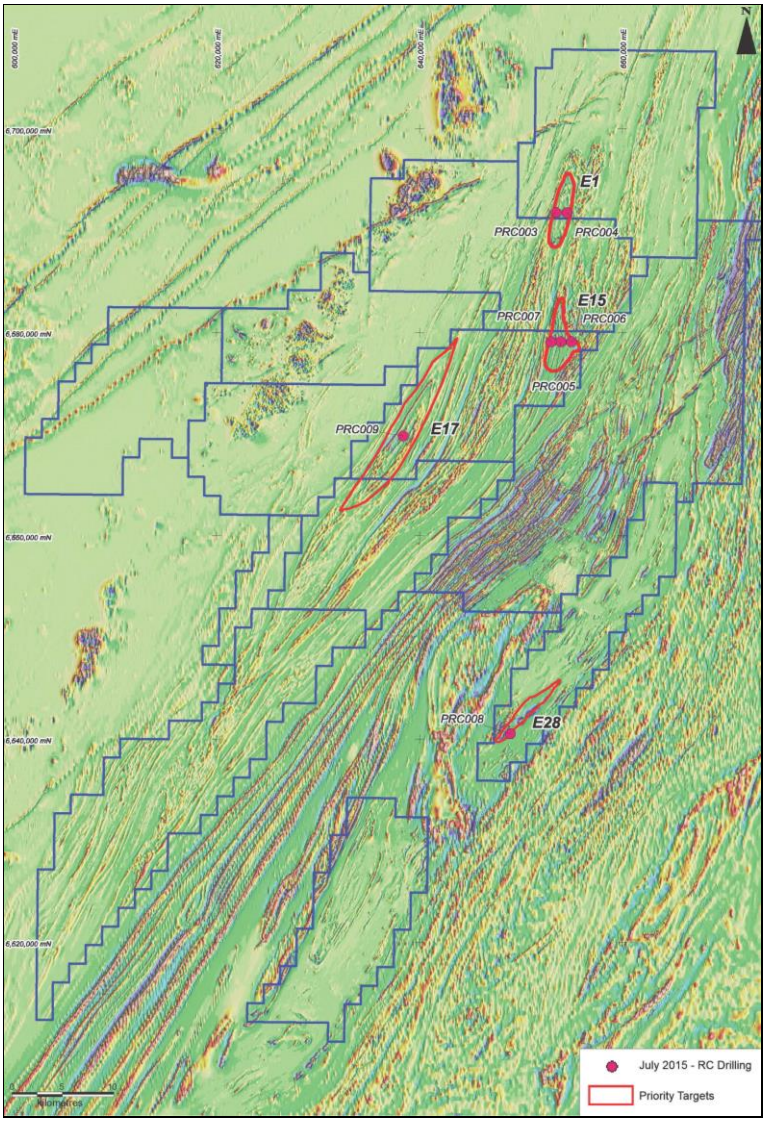

Figure 2: RC drill hole locations over regional magnetics.

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The results of the drilling were very positive, in particular at the E1 Target where mafic rocks with a favourable litho-geochemical signature (including low TiO_2 and Zr) were intersected in drill hole PRC003 (**Figure 3**). The intersection of the mafic lithologies has confirmed the validity of recently acquired gravity data to target for prospective nickel-copper bearing lithologies within the Fraser Range. Samples from PRC003 are currently being assayed and a petrographic analysis completed.

Figure 3: RC chip trays from PRC003 showing mafic rock samples

The E1 Target, which is a 10km long "ovoid" structure with an underlying coincident gravity high, will now become the focus for the next phase of exploration. With the identification of prospective mafic rocks in this recent drilling it is important that a focussed, systematic approach is now taken to define the prospectivity of this target. The next phase of exploration will include aircore drilling to define geology and geochemistry beneath the transported cover (**Figure 4**).

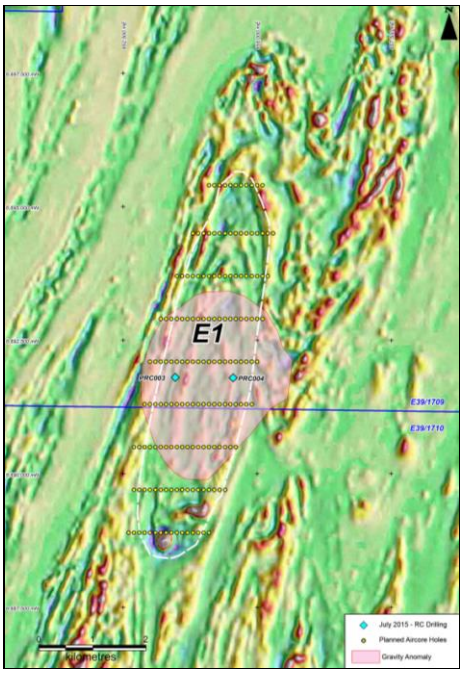

Figure 4: E1 Target showing RC holes and proposed aircore drill holes

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Commenting on the RC drilling programme, Segue's Managing Director, Mr Steven Michael, said:

The identification of mafic rocks at the E1 Target is extremely encouraging and validates the exploration approach undertaken by Segue, especially the project-wide gravity survey. Follow up drilling at the E1 Target will commence with a series of aircore holes to better define the target area beneath the transported cover.

The funds raised through Segue's recently completed Share Purchase Plan will be used to continue drill testing of the remaining high priority targets at the Plumridge Nickel Project. As previously announced, Segue has received approval for aircore and RC drilling at each of the target areas.

Table 1 – Summary of RC drill hole information

Prospect	Tenement	Hole ID	MGA East	MGA North	Dip	Azimuth	RL	Max Depth
E1	E39/1709	PRC003	653473	6691803	-60°	90°	282m	120m
E1	E39/1709	PRC004	654550	6691796	-60°	90°	295m	120m
E15	E39/1084	PRC005	653922	6679101	-60°	90°	276m	138m
E15	E39/1084	PRC006	654985	6679099	-60°	90°	270m	174m
E15	E39/1084	PRC007	652949	6679099	-60°	90°	277m	120m
E28	E28/2266	PRC008	648962	6640513	-80°	240°	210m	234m
E17	E39/1084	PRC009	638398	6669803	-80°	86°	286m	79m

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.

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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.* · *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* · *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 (eg submarine nodules) may warrant disclosure of detailed information.*	A 7 hole reverse circulation (RC) drilling program was undertaken with 1m samples collected from the rigs cone splitter sampler and laid out on the floor on site. approximately ~15kg of cuttings were collected for each sample with a 2kg calico sample collected for assay submission if warranted. Select samples are set to be submitted to ALS laboratories (Perth) an be analysed via MS-ICP for multiple-elements.
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).*	The drilling technique used was RC with a 5 5/8 inch hammer.
Drill sample recovery	· *Method of recording and assessing core and chip sample recoveries and results assessed.* · *Measures taken to maximise sample recovery and ensure representative nature of the samples.* · *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.*	Sample recovery was assessed visually and documented by the geologist in charge of the rig activities and sampling. Where no sample was collected, a note was made within necessary databases. Drill cuttings were collected at the rig using an enclosed collection box and cone splitter. Not investigated - Not applicable for the commodity under investigation at this stage of exploration.

Logging	· *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.* · *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* · *The total length and percentage of the relevant intersections logged.*	Drill chips were sieved, washed and placed in chip trays for reference. A qualified geologist with suitable training in the type and style of mineralisation being explored then logged all of the chips to an industry accepted convention.
Sub-sampling techniques and sample preparation	· *If core, whether cut or sawn and whether quarter, half or all core taken.* · *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* · *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* · *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* · *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.* · *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Samples were collected by cone splitter upon the rig which was deemed suitable for the type of sample being created from the drill rig. Samples on the whole were dry. CRM's will be inserted with the samples at a rate of 1:20
Quality of assay data and laboratory tests	· *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* · *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.* · *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.*	Samples will be assayed by ALS laboratories, Perth. The laboratory is deemed to have the necessary procedures to ensure sample integrity. The assay technique was deemed total. The instrument used for analysis was an ICP-MS. CRMS will be inserted into the sample string.
Verification of sampling and assaying	· *The verification of significant intersections by either independent or alternative company personnel.* · *The use of twinned holes.* · *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* · *Discuss any adjustment to assay data.*	No verification by independent or alternative companies has been undertaken. No twin holes have been undertaken. All data was recorded digitally and ultimately stored on the company DB.
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.*	All holes were located using a handheld Garmin GPS, accurate to ±4m.

	· *Specification of the grid system used.* · *Quality and adequacy of topographic control.*	GDA94 - MGA51
Data spacing and distribution	· *Data spacing for reporting of Exploration Results.* · *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.* · *Whether sample compositing has been applied.*	Samples were composited at the geologists discursion.
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.* · *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.*	Nothing is known about the structure of the underlying rock at this stage.
Sample security	· *The measures taken to ensure sample security.*	All samples were originally stored on site within the operational footprint. Samples were transported to the laboratory by field personnel and dropped at ALS laboratories who have suitable security to ensure sample integrity
Audits or reviews	· *The results of any audits or reviews of sampling techniques and data.*	All data has been reviewed by exploration consultants OMNI GeoX Pty Ltd.

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Tenements E28/2266, E39/1084, E39/1709 & E39/1710 are 100% owned by entities that are completely owned by Segue Resources Ltd. - The tenements are wholly within an area with no Native Title, Nature Reserves or Pastoral leases.
Exploration done by other parties	· *Acknowledgment and appraisal of exploration by other parties.*	· Ni Nickel exploration has previously been conducted in the area. Some previous mineral sand and gold exploration has been undertaken by various parties in the past.
Geology	· *Deposit type, geological setting and style of mineralisation.*	· Nova Style mafic-ultramafic intrusive related Ni-Cu sulphides
	· *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*	

Drill hole Information	o *elevation or RL (Reduced Level – elevation above sea level in 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.*	Drill collars with pertinent information can be found in Table 1.
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.* · *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.* · *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Where necessary, standard weight averaging techniques have been applied due to varied sample sizes
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 true width of any intercepted mineralisation is unknown at this time.
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.*	See body of text for applicable diagrams
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.*	· NA
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.*	Not applicable

Further work	· *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* · *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further work is planned for the project area including a 800x100m aircore program and possibly EM