



ASX Code: SEG

30 April 2013

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

SALE OF EMANG MANGANESE PROJECT

Segue Resources Limited (**Segue** or the **Company**) is pleased to announce that it has agreed to sell its interest in the Emang Manganese Project (**Project**) to its joint venture partner, Emang Mmogo Mining Resources (Pty) Ltd (**Emang Mmogo**) for R22.0 million (A\$2.35 million¹). Under the share sale agreement, Emang Mmogo will acquire Segue's 30% interest in the Project as follows:

- R10.0 million (A\$1.07 million¹) upon shareholder approval of the transaction (expected late May 2013);
- R5.0 million (A\$0.53 million¹) at the earlier of lodgement of a Mining Right Application for the Project or 30 September 2013; and
- R7.0 million (A\$0.75 million¹) at the earlier of granting of a Mining Right for the Project or 30 June 2014.

A Notice of Meeting to vote on the proposed transaction will be despatched to Segue shareholders shortly.

Commenting on the transaction, Segue's Managing Director, Mr Steven Michael, said:

The past 12 months has been extremely trying for Segue and its shareholders. A decision was taken to realise the value that Segue had created in the Emang Manganese Project, as the Company was not able to raise sufficient funds to meet its expenditure commitments to the Project.

The sale of its interest in the Project to Emang Mmogo is a very positive outcome for Segue, as the total consideration of \$2.4 million represents more than a 100% premium to the Company's current market capitalisation of just \$1.1 million.

Segue will repay its outstanding loan facilities of \$750,000 from the first payment by Emang Mmogo. Following completion of the sale of the Emang Project, Segue's assets will comprise of:

- 100% interest in four exploration licences in the Pardoo region of Western Australia, prospective for iron ore and base metals (subject to a farm-out arrangement with White Eagle Resources);
- 12% of White Eagle Resources (ASX: WEG); and
- Cash and debtors of approximately \$1.5 million.

¹ Based on an exchange rate of A\$1=R9.35 as at 26 April 2013.

Segue is considering new opportunities in the resources sector, with a focus on advanced stage exploration projects in Australia and Africa.

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

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