



# Australia's 'New' Nickel

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Australian Nickel Conference  
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**POSEIDONNICKEL**

# 3 Production ready nickel projects in Western Australia



- **Windarra Nickel Project**

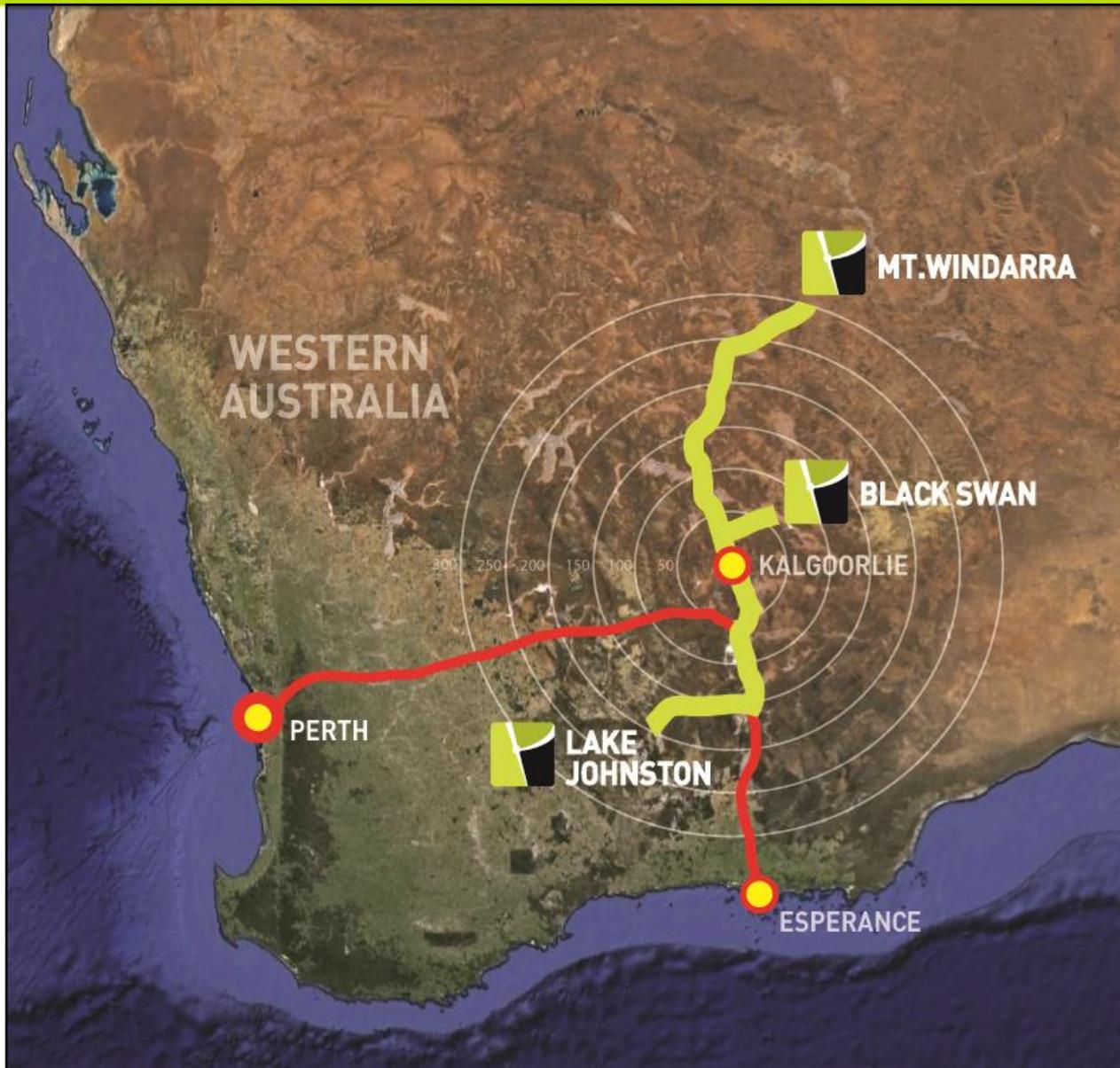


- **Black Swan Nickel Project**



- **Lake Johnston Nickel Project**

# Projects within 300kms centred around Australia's Major Nickel Region



# One of the Largest Nickel Sulphide Resources in Australia

Windarra Nickel Project Sulphides	Cut Off Grade	Mineral Resource Category (JORC 2004)								
		Indicated			Inferred			TOTAL		
		Tonnes	Ni% Grade	Ni Metal t	Tonnes	Ni% Grade	Ni Metal t	Tonnes	Ni% Grade	Ni Metal t
Mt Windarra	0.75%	1,217,000	1.39	17,100	3,553,000	1.78	63,100	4,770,000	1.68	80,200
South Windarra	0.80%	772,000	0.98	7,500	-	-	-	772,000	0.98	7,500
Cerberus	0.75%	2,773,000	1.25	34,600	1,778,000	1.91	34,000	4,551,000	1.51	68,600
<b>Total Windarra</b>		<b>4,762,000</b>	<b>1.24</b>	<b>59,200</b>	<b>5,331,000</b>	<b>1.82</b>	<b>97,100</b>	<b>10,093,000</b>	<b>1.55</b>	<b>156,300</b>

**10m tonnes @ 1.55% for 156,300 tonnes nickel**

Black Swan Nickel Project Sulphides	Cut Off Grade	Mineral Resource Category (JORC 2004)								
		Measured & Indicated			Inferred			TOTAL		
		Tonnes	Ni% Grade	Ni Metal t	Tonnes	Ni% Grade	Ni Metal t	Tonnes	Ni% Grade	Ni Metal t
Black Swan	0.40%	5,400,000	0.69	37,800	20,900,000	0.70	148,000	26,300,000	0.70	185,800
<b>Total Black Swan</b>		<b>5,400,000</b>	<b>0.69</b>	<b>37,800</b>	<b>20,900,000</b>	<b>0.70</b>	<b>148,000</b>	<b>26,300,000</b>	<b>0.70</b>	<b>185,800</b>

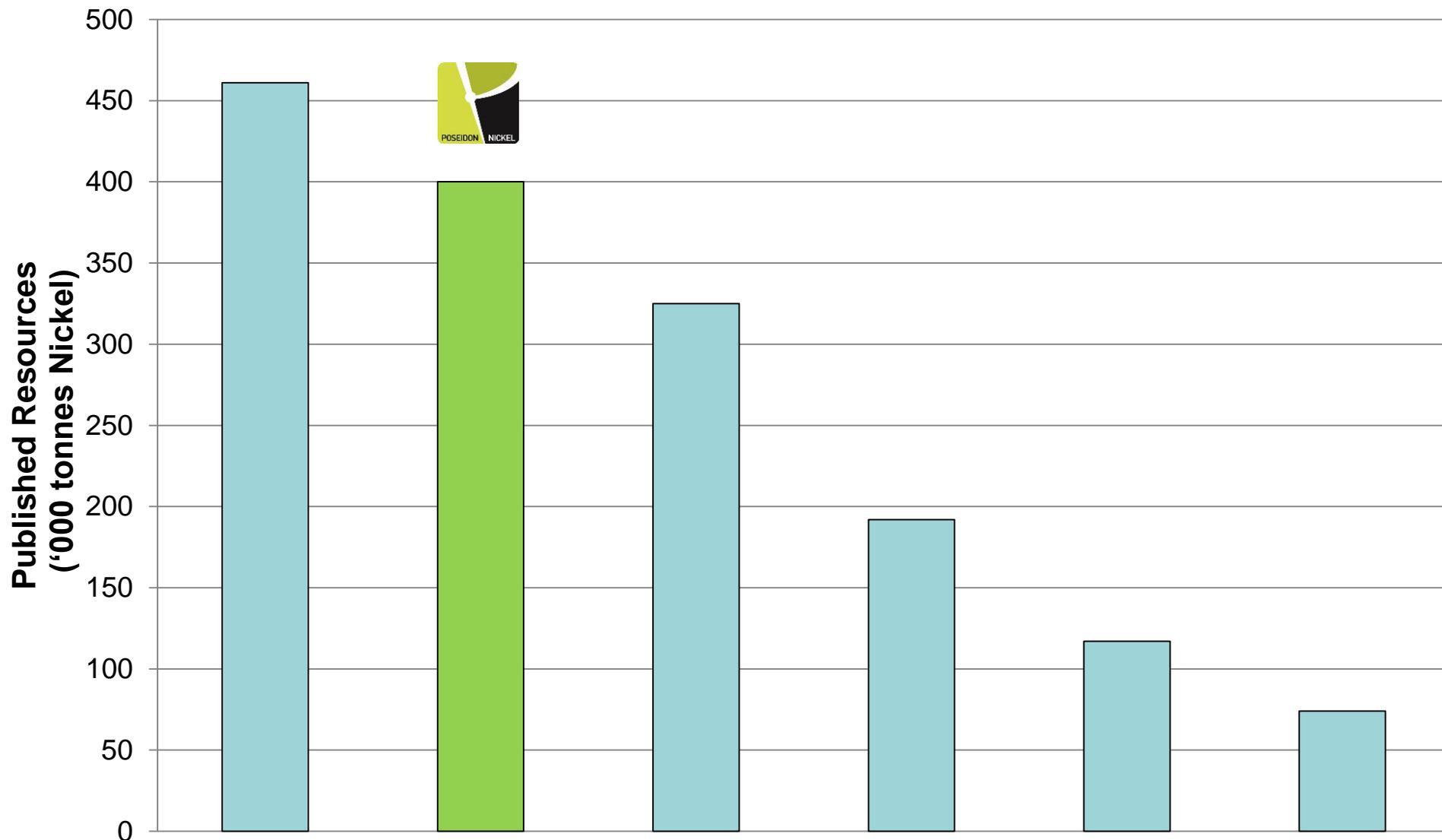
**26m tonnes @ 0.7% for 185,800 tonnes nickel**

Lake Johnston Nickel Project Sulphides	Cut Off Grade	Mineral Resource Category (JORC 2004)								
		Measured & Indicated			Inferred			TOTAL		
		Tonnes	Ni% Grade	Ni Metal t	Tonnes	Ni% Grade	Ni Metal t	Tonnes	Ni% Grade	Ni Metal t
Lake J										
<b>Total LJ</b>										

**JORC code prevents publication of these numbers until reassessment to JORC 2012 for actual numbers. See previous announcement on Lake Johnston**

**Total = 400,000 tonnes nickel**

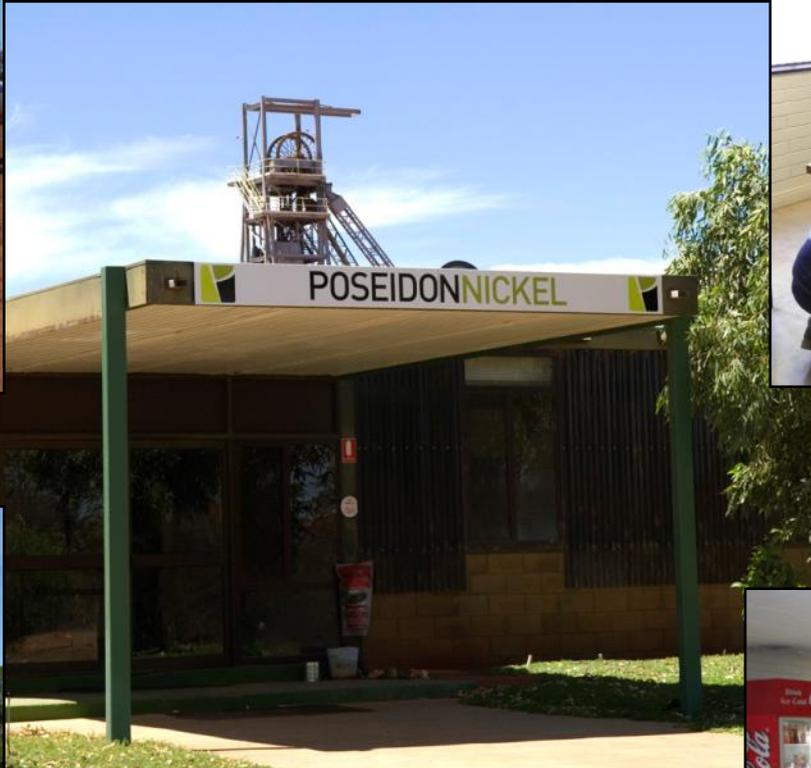
# Poseidon has the second largest published nickel sulphide resource in Australia\* (excluding BHP)



**2 Windarra**

# Poseidon has invested \$100M in getting Windarra operationally ready

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# BHP Off-take saves \$240M in Capital Costs

- Ore Off-take and Concentrate Purchase Agreement – announced today
- Windarra ore to be transported to BHP Leinster for processing – 350,000 tpa – 500,000 tpa or up to 700,000 tpa by Agreement
- Operating costs consistent with option including on-site Concentrator
- Capital reduced by \$240M (like for like)
- Poseidon has option to transport additional tonnes at Black Swan

**3** Black Swan

# Black Swan is a major nickel plant and ore body

- Purchasing from Norilsk Nickel for \$1.5m
- Australia's largest nickel concentrator outside BHP
- Near new condition facilities commissioned in 2007
- Closed in 2009 during financial crisis
  - Care & maintenance since then by Norilsk
- Open pit ore body with more than 10 years potential life



# The Black Swan Process Plant and open pit resource was bought by Poseidon from Norilsk in July 2014

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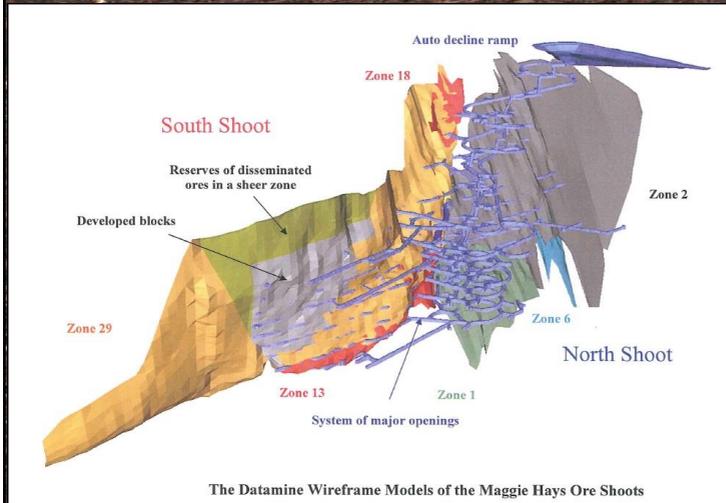
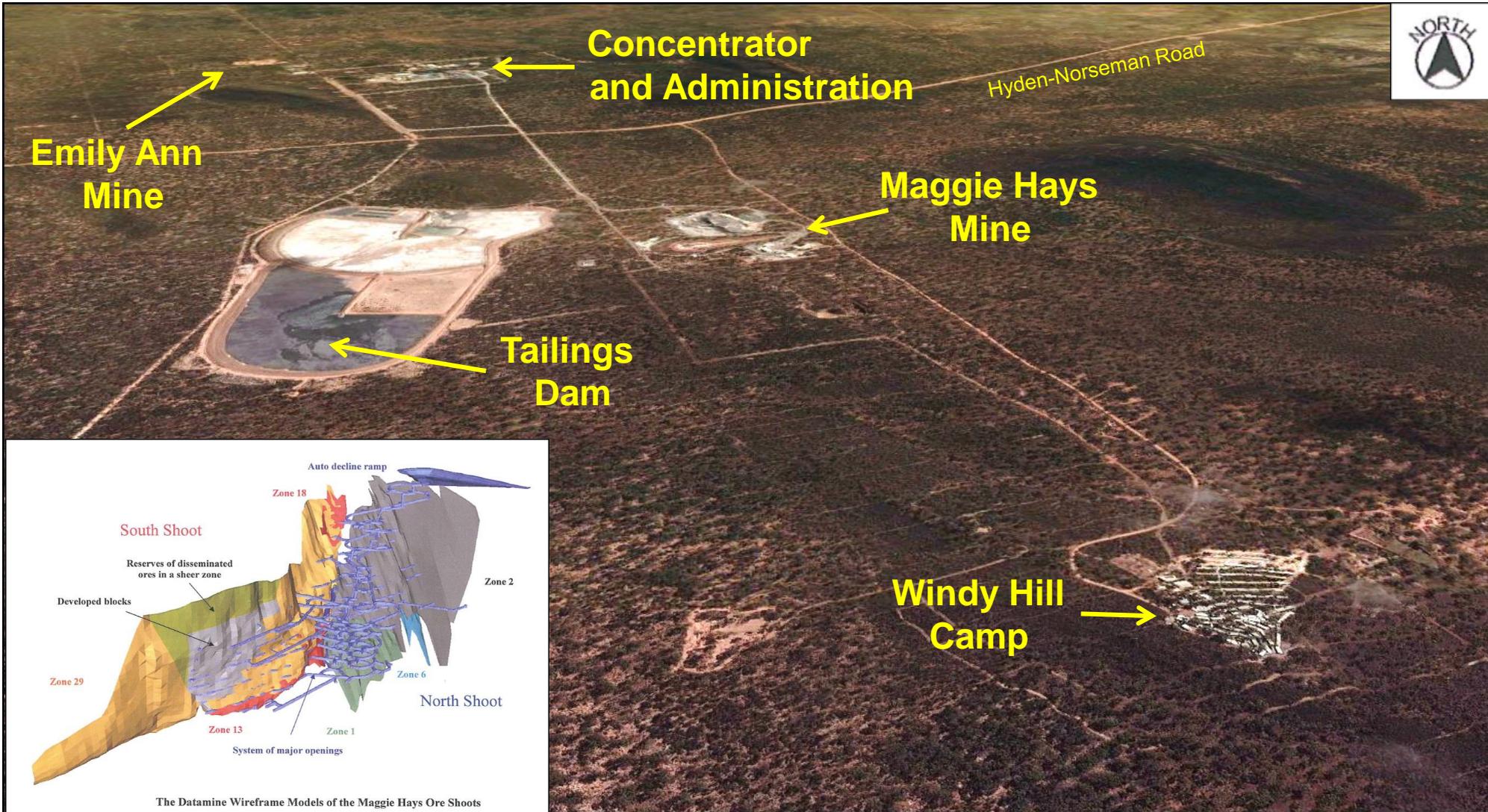


**4 Lake Johnston**

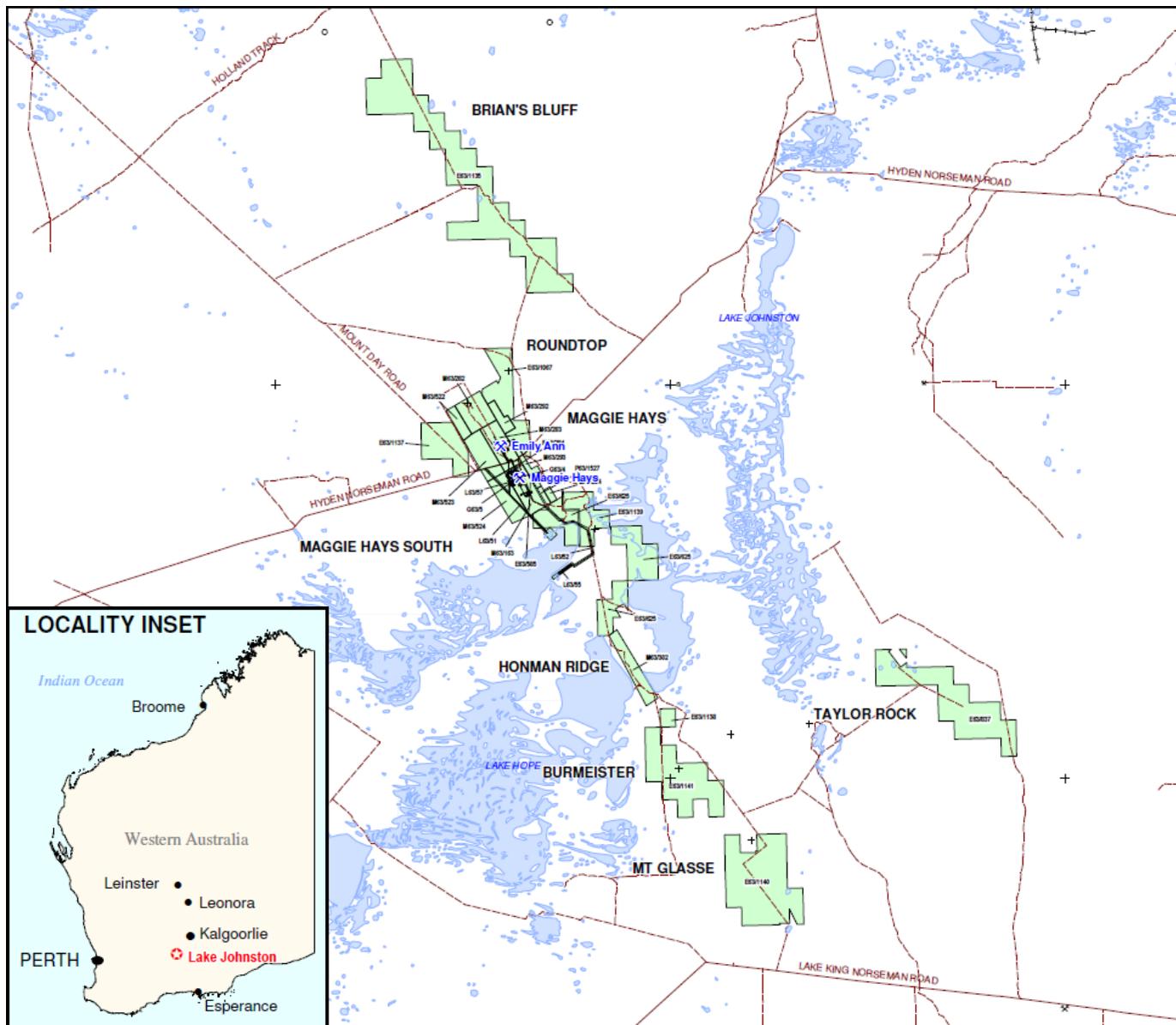
# Lake Johnston Nickel Project

- Purchasing from Norilsk Nickel for \$1m
- Operationally ready for restart
  - High quality 1.5mt p.a. plant recently refurbished
- Up to 3 years initial mine life
- Rapid site recommissioning time
  - Site in excellent condition
- Operations were previously profitable at similar nickel price\*
- Smeltable grade concentrate typically 13% nickel, 6:1 FeMgO, 100 ppm As
- Historical nickel production 10,000 – 12,000 tonnes nickel p.a.

# Lake Johnston includes 2 mines, a concentrator and camp in operational ready condition



# Major exploration prospects to further extend life

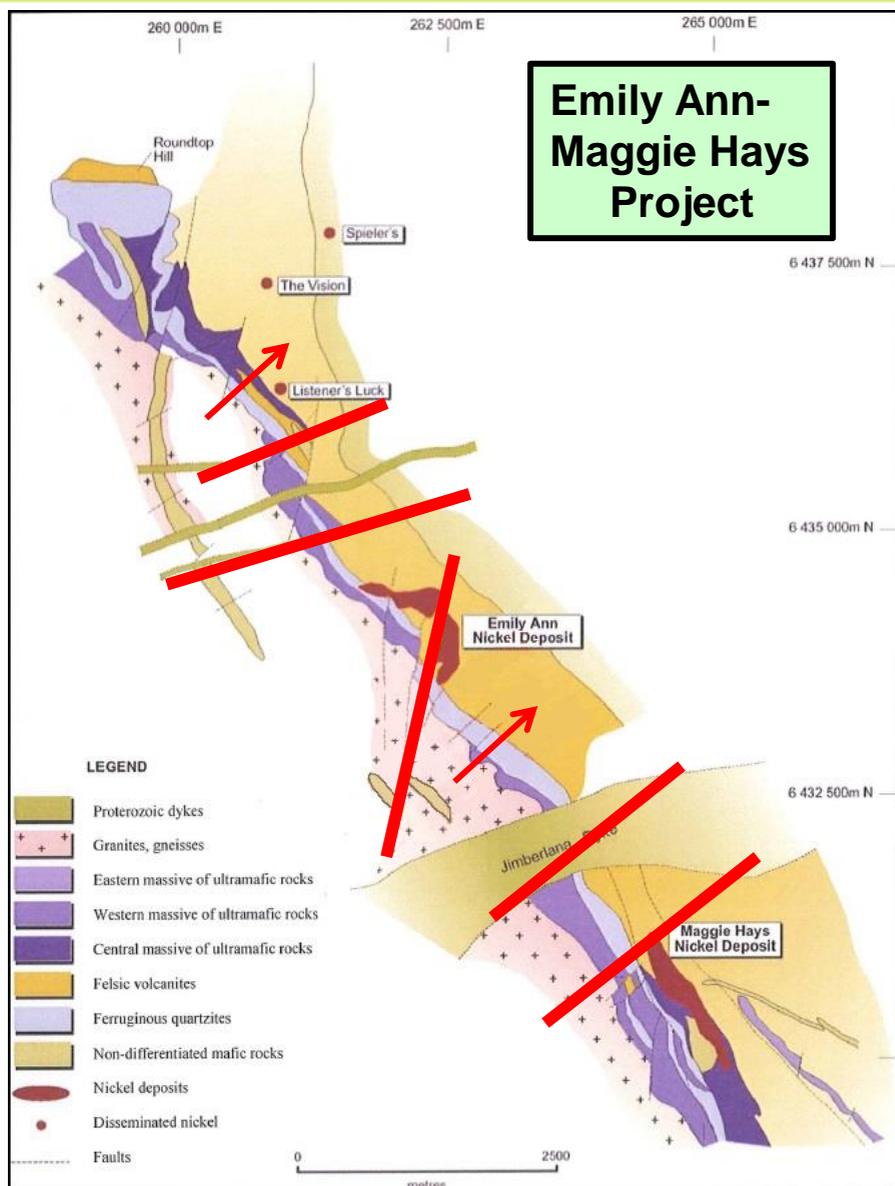


- 302km<sup>2</sup> Tenement Package
- 2 Ultramafic Belts
  - Maggie Hay-Mt Glasse
  - Brians Bluff-Taylor Rock

# Lake Johnston geologically similar to Flying Fox with offsetting faults but ore body horizontal not vertical

## Lake Johnston Mines

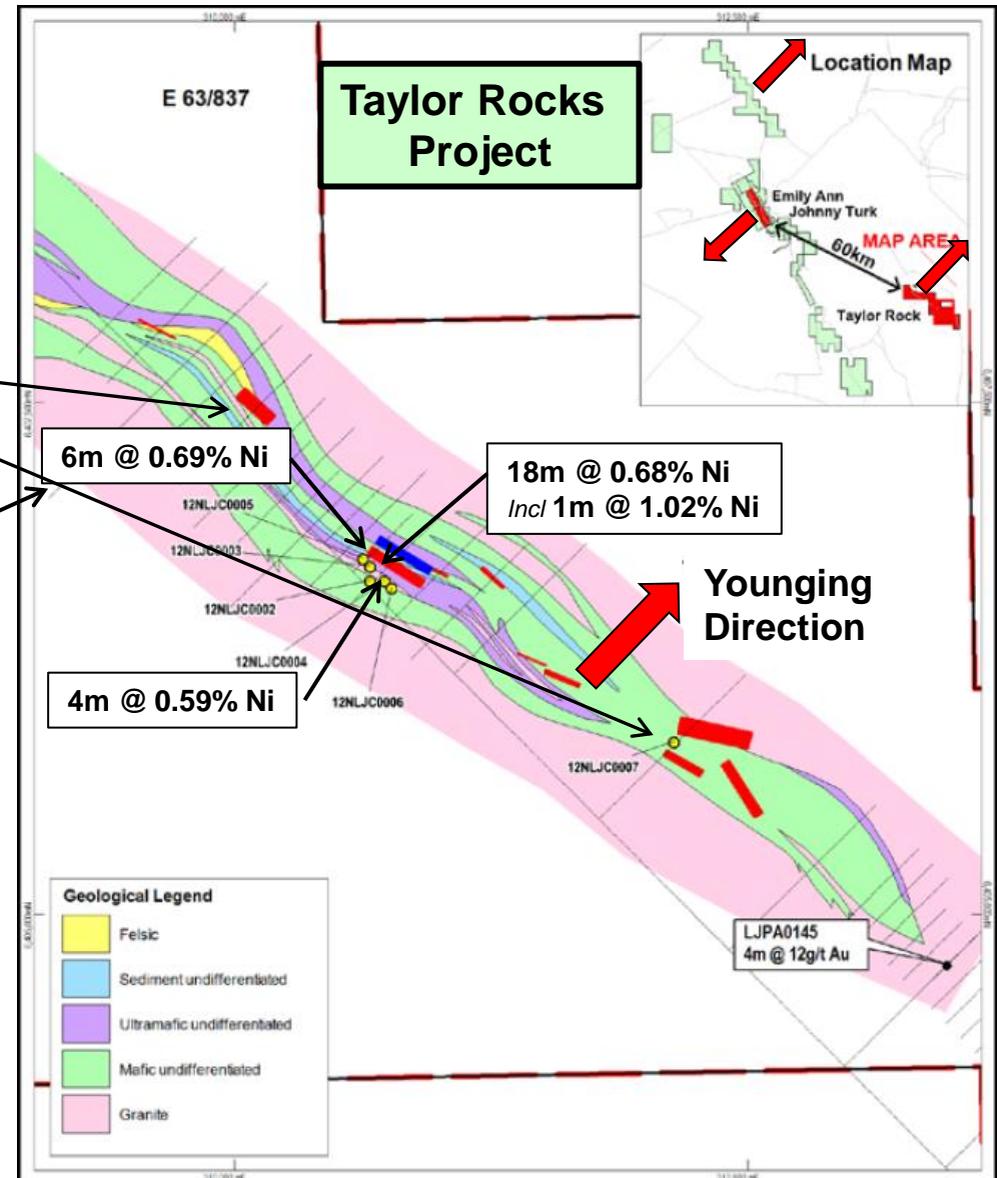
- Large faults also offset and terminate mineralisation
- Granite also thrust over the ultramafic host potentially “hiding” mineralisation
- Potential for offset blocks of ultramafic under the granites to the west
- Ore body horizontal so cheaper to mine and explore
- ≈ 4% nickel ore bodies already discovered



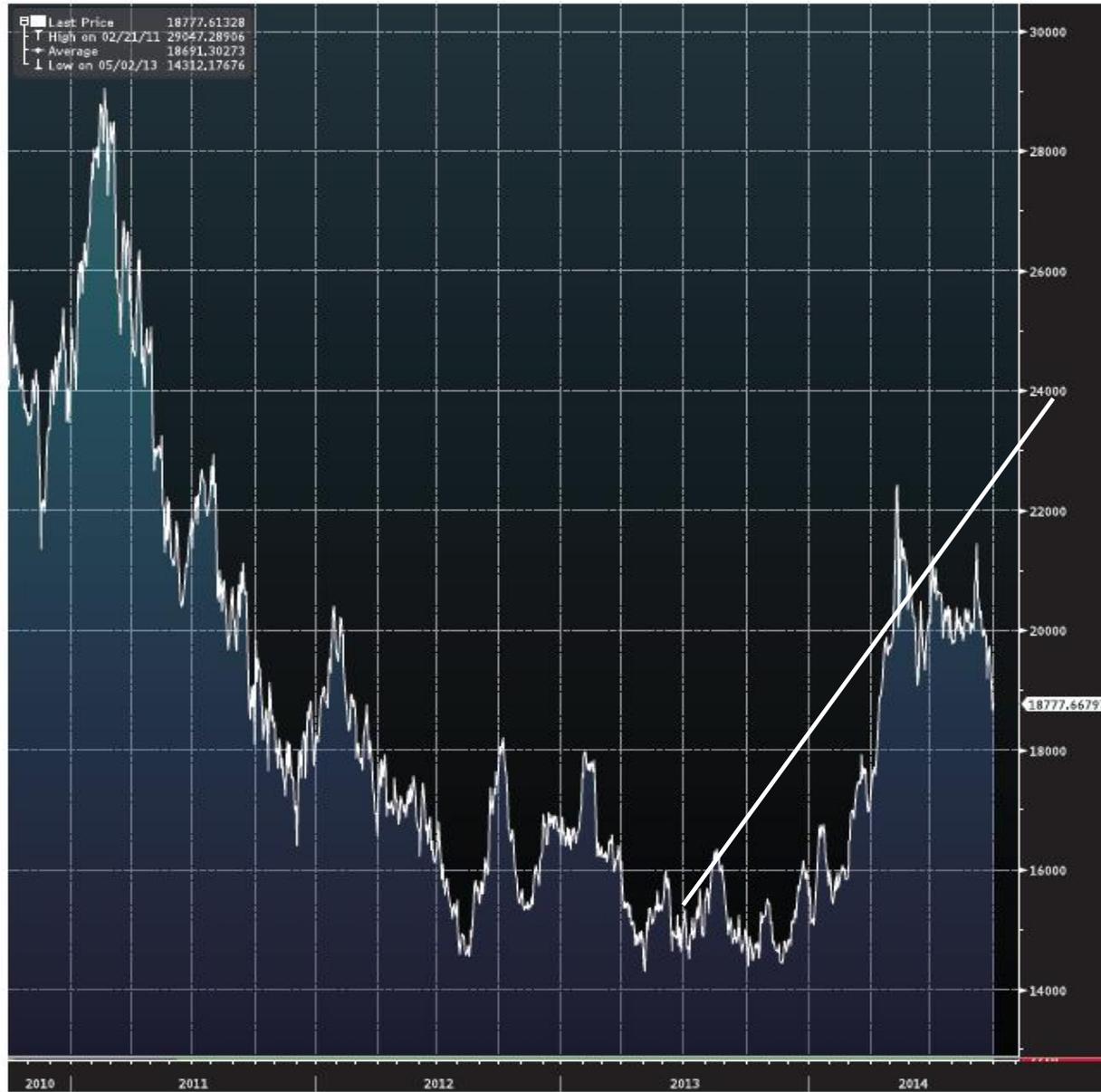
# Taylor Rocks is a second similar parallel system which has nickel sulphide hits & lightly tested EM plates

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- Electromagnet plates often associated with Nickel
- Nickel discovered with minimal drilling. Requires follow up



# In A\$ - Nickel up 30% in 2014. Deficits still coming



Source: Bloomberg

Private & Confidential



## Windarra

- 6 months from funding to first ore\*



## Lake Johnston

- Legal completion
- Restart study now well underway
- Restart in 3-6 months from financing



## Black Swan

- Legal Completion
- Initial restart study completed and announced
- Restart post Windarra and Lake Johnston start up.

\*Subject to funding and regulatory clearances at both Poseidon and BHP.

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