ASX Announcement
2 September 2024

WINDARRA TAILINGS PROJECT AND WATER ACCESS AGREEMENT UPDATE

- During December 2023 Poseidon entered a conditional agreement with Mt Morgans WA Mining (Mt Morgans), a subsidiary of Genesis Minerals Limited, the key terms being:

  o Mt Morgans to undertake a processing trial of up to 100,000 tonnes of Lancefield gold tailings through their currently idled Laverton processing facility; and

  o Mt Morgans to access up to 2.5GL of water per annum from the South Windarra open pit over a 5 year period

- The agreement was subject to conditions precedent which were not satisfied or waived by the parties in the required time and consequently the agreement has been terminated

- The agreement entered into with Encore Minerals to develop the Windarra Gold and Nickel Tailings using Draslovka's Glycine Leaching Technology is unaffected by the termination of the agreement with Mt Morgans

Poseidon Nickel Limited (ASX: POS) ("the Company") advises that the conditional agreement entered with Mt Morgans WA Mining Pty Ltd ("Mt Morgans"), a wholly owned subsidiary of Genesis Minerals Limited ("Genesis"), for Mt Morgans to undertake a trial processing of up to 100,000 tonnes of Lancefield gold tailings through their Laverton processing facility and to have access to 2.5GL per annum of water from the South Windarra pit, has been terminated.

Importantly the agreement with Encore Minerals to develop the Windarra Gold and Nickel Tailings using Draslovka's Glycine Leaching Technology is unaffected by the termination of the agreement with Mt Morgans. Encore Minerals intends to use proprietary Glycine Leaching Technology (GlyCatTM + GlyLeachTM) to process the Windarra gold and nickel tailings and potentially the Lancefield gold tailings. Refer ASX release dated 31 July 2024 titled "*Poseidon enters agreement with Encore Minerals to develop the Windarra Tailings Project.*"

This announcement was authorised for lodgement by the Board of Poseidon Nickel Limited.

Brendan Shalders
CEO

2 September 2024

For further information contact Brendan Shalders:
T: + 61 (0)8 6167 6600
E: admin@poseidon-nickel.com.au

About Poseidon Nickel Limited

Poseidon Nickel Limited (ASX Code: POS) is a nickel sulphide exploration and development company with three projects located within a radius of 300km from Kalgoorlie in the Goldfields region of Western Australia and a resource base of over 420,000 tonnes of nickel and 180,000 ounces of gold[1].

Poseidon's strategy is focused on targeted exploration and business development to grow reserves and resources for the eventual restart of its established processing operations in Western Australia with the aim of being a profitable and sustainable producer.

Poseidon owns the Black Swan, Windarra Nickel and Lake Johnston Projects. The mines and infrastructure across all projects, including concentrators at Black Swan and Lake Johnston, present near term development options for Poseidon and peer companies that have mineral resources without established processing infrastructure.

In addition to processing capabilities, the Company has significant nickel exploration opportunities demonstrated by the discovery of the Golden Swan Resource at Black Swan, Maggie Hays West prospect at Lake Johnston and more recently the NW05 and NW04 targets at Windarra. Assessment of other commodities across Poseidon's project portfolio has noted strong lithium prospectivity at Lake Johnston and gold anomalies at all three projects.

The Company completed a Bankable Feasibility Study on Black Swan in November 2022 which is planned to be the first project to restart, subject to appropriate project financing structures being achieved, the outlook for the nickel price improving and all necessary approvals being obtained.

A Definitive Feasibility Study on retreating the gold tailings at Windarra and Lancefield was completed in mid-2022. During July 2024, Encore Minerals entered into an agreement with Poseidon to develop the Windarra tailing project.

[1] Refer to the Company website, www.poseidon-nickel.com.au, for Resource and Reserves tables