

POSEIDONNICKEL

Emerging Class 1 Nickel Producer

Investor Roadshow September 2018

Michael Rodriguez, COO & Chris Indermaur, Chairman

www.poseidon-nickel.com.au

ASX:POS



Important Notice and Disclaimer

This presentation is issued by Poseidon Nickel Limited (ACN 060 525 206) (**POS** or **Company**). This presentation has been prepared by the Company following the completion of an institutional placement (**Placement**) and a subsequent entitlement offer made pursuant to a prospectus released on the Company's announcement platform on the Australian Securities Exchange (**ASX**) on 24 August 2018 (**Entitlement Offer**) (together the **Offer**) of new ordinary shares in the Company (**New Shares**). The Placement was made under section 708A of the *Corporations Act 2001* (Cth) (**Corporations Act**) and the Entitlement Offer has been made under a section 713 prospectus (**Prospectus**).

Importance Notice and Disclaimer

This presentation contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this presentation. Often, but not always, forward looking statements can be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", "outlook", "should" and "guidance", or other similar words that may include, without limitation, statements regarding plans, strategies and objectives of management, the timetable and outcome of the Entitlement Offer. Past and any pro-forma financial information given in this presentation is given for illustrative purposes only and should not be relied upon as an indication of POS' future financial performance or condition. The historical information included in this presentation is, or is based on, information that POS has previously released to the market. The forward-looking statements in this presentation are not guarantees or predictions of future performance. The forward-looking statements are based on information available to POS as at the date of this presentation. Except as required by law or regulation, including the ASX Listing Rules (**Listing Rules**), POS does not undertake to provide additional updated information whether as a result of new information, a change in expectations or assumptions, future events or results or otherwise. No representation, warranty or assurance, express or implied, is given or made in relation to any forward-looking statement by any person including the Company.

No stock exchange, regulations services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this presentation.

This presentation is not a prospectus, disclosure document or other offering document under Australian Law. It is for information purposes only and is not an intention nor offer of shares for subscription, pursuant or sale in any jurisdiction. Statements in this presentation are made only as at the date of this presentation. The information in this presentation remains subject to change without notice. POS is not responsible for updating, nor undertakes to update, this presentation. POS reserves the right to withdraw the Entitlement Offer or vary the timetable for the Entitlement Offer, subject to the Listing Rules without notice or explanation.

Summary Information

This presentation contains summary information. It should be read in conjunction with the Prospectus and POS' other periodic and continuous disclosure announcements lodged with the ASX, available at www.asx.com.au about POS and its subsidiaries and their activities which is current as at the date of this presentation. The information in this presentation is a general background and does not purport to be comprehensive, complete or to provide all information that an Investor should consider when making an investment decision, nor does it contain all the information which would be required in a prospectus, product disclosure statement or other disclosure document prepared in accordance with the requirements of the Corporations Act. The presentation has not been, and is not required to be, lodged with the Australian Securities & Investments Commission (**ASIC**).

This presentation is not a financial product or investment advice, a recommendation to acquire New Shares or accounting, legal or tax advice and does not and will not form any part of any contract for the acquisition of New Shares. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard for their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate for their jurisdiction. The Company is not licensed to provide financial product advice in respect of an investment in shares. Cooling off rights do not apply to the acquisition of New Shares.

Important Notice and Disclaimer continued

Restrictions

This presentation may not be distributed or released in the United States. This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares have not been and will not be, registered under the US Securities Act of 1933 (**Securities Act**) or the securities laws of any State or other jurisdiction in the United States. The New Shares may not be offered or sold to, directly or indirectly, any person in the United States or to any person that is, or is acting for the account or benefit of, any person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act or any other applicable US state securities laws. The distribution of this presentation, including an electronic copy, outside of Australia may be restricted by law. If you come into possession of this presentation, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws. By accepting this presentation, you represent and warrant that you are entitled to receive such presentation in accordance with the above restrictions and agree to be bound by the limitations contained herein.

Disclaimer

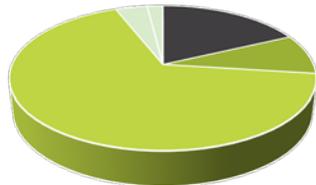
The Company, Petra Capital Pty Ltd (**Petra Capital**) and other advisers, their respective affiliates and related bodies corporate, directors, officers, partners, employees, agents, advisers and associates (**Parties**) to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, and make no representations or warranties, express or implied, as to the currency, accuracy, reliability or completeness of the information in this presentation and take no responsibility for, any part of this presentation or the Entitlement Offer. No Party has independently verified any of the information in this presentation. No Party guarantees the repayment of capital or any particular rate of income or return on an investment in POS. You represent, warrant and agree that you have not relied on any statements made by any of the parties and you further expressly disclaim that you are not in a fiduciary relationship with any of them. Readers agree, to the maximum extent permitted by law, that they will not seek to sue or hold the Parties liable in any respect in connection with this presentation or the Entitlement Offer. The Parties do not accept any fiduciary obligations to or relationship with any investor or potential investor in connection with the Entitlement Offer or otherwise. Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements under the Prospectus and the discretion of POS and Petra Capital. POS and Petra Capital disclaim any liability in respect of the exercise of otherwise of that discretion, to the maximum extent permitted by law.

Corporate Overview

Capital Structure & Enterprise Value

ASX Ticker	POS
Shares on Issue	1.25bn
Share Price	~\$0.05
Market Cap	~\$63M
Cash	~\$6M
Debt	\$US\$17.5
Enterprise Value	~\$81M

Shareholder Spread



- Squadron Resources & Associates
- Black Mountain Metals (BMM)
- Retail
- Management

Board

Chris Indermaur <i>Non Executive Chairman</i>	Over 35 years' of experience in large Australian companies in Engineering or commercial roles including QNI Nickel Refinery at Yabulu, QAL and Alinta.
David Singleton <i>Non Executive Director</i>	Former CEO of Poseidon Nickel, Clough Limited & Alenia Marconi Systems (Rome, Italy), Head of Mergers & Acquisitions, BAE Systems (London), current CEO of Austral Ships.
Robert Dennis <i>Non Executive Director</i>	Mining Engineer with over 40 years' experience in the nickel, copper, gold and alumina industries.
Geoff Brayshaw <i>Non Executive Director</i>	Chartered Accountant with over 35 years' experience primarily in audit & assurance, corporate finance & litigation support. Former independent Director of Fortescue Metals Group.
Michael Rodriguez <i>Chief Operating Officer</i>	Metallurgical Engineer with over 30 years' experience in the design, construction and management of complex metallurgical plants in Australia & overseas. Michael is a Non-Executive Director with Jervois Mining & COO at Poseidon.
Neil Hutchison <i>General Manager - Geology</i>	Neil has developed the company's resource and reserve base at Mt Windarra as well as the new Cerberus nickel discovery. Formerly at Cosmos with Jubilee Mines. Neil is also a Non-Executive Director with Kairos Minerals.

Volume

30 day mean daily volume	~5,200,000
90 day mean daily volume	~4,000,000

Significant Shareholders

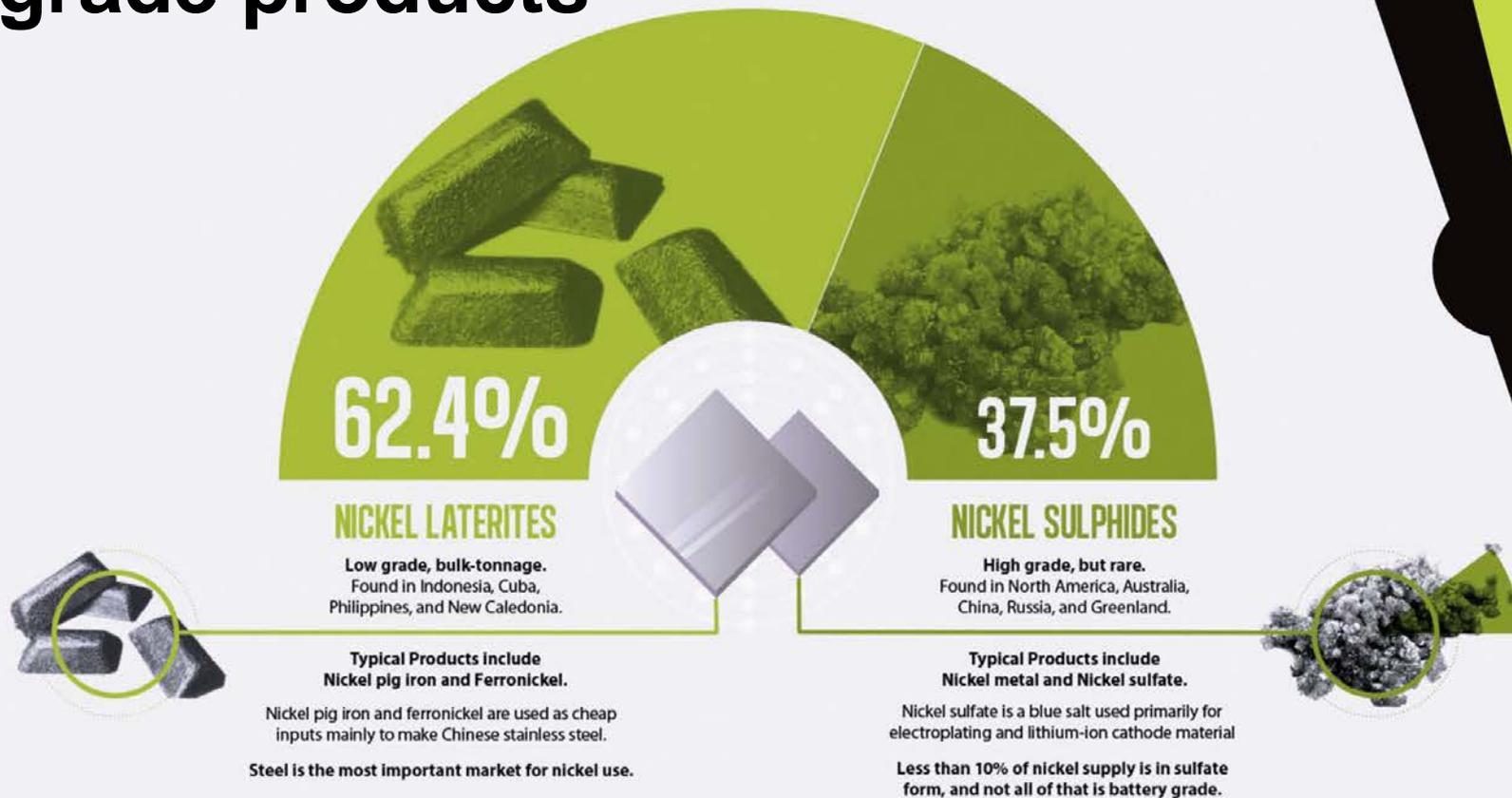
Squadron Resources & Associates	~18%	BMM	~9%
Management	~4%	JP Morgan	~2%
Citicorp	~8%	HSBC	~2%



“While lithium and cobalt were recognised early on as winners from **skyrocketing demand for lithium-ion batteries**, they are certainly not the only beneficiaries of the green shift ...”

“Our cells should be called Nickel-Graphite, because primarily the cathode is Nickel and the anode side is graphite with silicon oxide.”
– Elon Musk

Nickel sources limited for battery grade products



Equity Raising to Support Restart of Black Swan Nickel Operations

- A\$74.6 million capital raising at \$0.05 per share
- Structured as a \$5.8m placement and 11 for 10 renounceable entitlements offer to raise a further \$68.8m
- Entitlement offer fully underwritten by Petra Capital and 100% sub-underwritten by Squadron Resources
- Capital raising price 10.7% discount to the last closing price prior to launching the entitlement offer
- Funds raised primarily to restart operations at Black Swan and Silver Swan

Equity Raising Summary Use of Funds

Sources	(A\$)	Uses	(A\$)
Placement	5.8	Silver Swan re-start	35.5
Entitlements Offer	68.8	Black Swan re-start	27.0
		Corporate overhead	5.5
		Additional contingency	3.0
		Offer costs	3.6
Total sources	74.6	Total uses	74.6

Silver Swan & Black Swan Mining Restart Costs

Silver Swan	(A\$)	Black Swan	(A\$)
Development capital (lateral & vertical)	18.0	Plant refurbishment & infrastructure	17.0
Initial works & refurbishment	10.0	Administration, workshop & mobile fleet costs	4.0
Equipment mobilisation & safety	2.0	Pit mobilisation & services	2.5
General care & maintenance	1.5	Other costs haulage, tailings & road access	3.5
Ventilation, cooling, safety & electrical works	1.2		
Contingencies	2.8		
Total Silver Swan	35.5	Total Black Swan	27.0

Key Dates

Placement shares issued	28 August 2018
Entitlements Trading Opened	28 August 2018
Entitlements Offer Record Date	29 August 2018
Entitlements Offer Opened	31 August 2018
Entitlements Trading Closes	5 September 2018
Entitlements Offer Closes	12 September 2018
Shortfall book build	14 September 2018
Entitlements Offer shares issued	19 September 2018

The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary. The book build date may be varied by agreement between the Underwriter and Poseidon.

Poseidon Assets

3 Projects + 6 Mines + 2 Concentrators



Black Swan Operations

- Silver Swan underground mine previously mined
- Black Swan open pit previously mined
- 2.2mtpa concentrator previously operated
- Prospective exploration targets identified

Lake Johnston Operations

- 1.5mtpa concentrator previously operated
- Maggie Hays mineralisation previously mined
- Emily Ann mine previously mined
- Abi Rose prospective nickel exploration targets

Windarra Nickel Operations

- Windarra underground mine previously mined
- Windarra partially refurbished
- Possible ore source for Black Swan
- Cerberus nickel discovery
- Existing gold, silver and nickel tailings

Proposed Integrated Black Swan & Silver Swan Restart Strategy

Mining & Processing

- Existing underground mine & open pit
- Plant & infrastructure upgraded in 2007
- Kalgoorlie based residential workforce
- Connected to grid power
- Operated between 1996 – 2009
- Regulatory approvals progressed

Resources

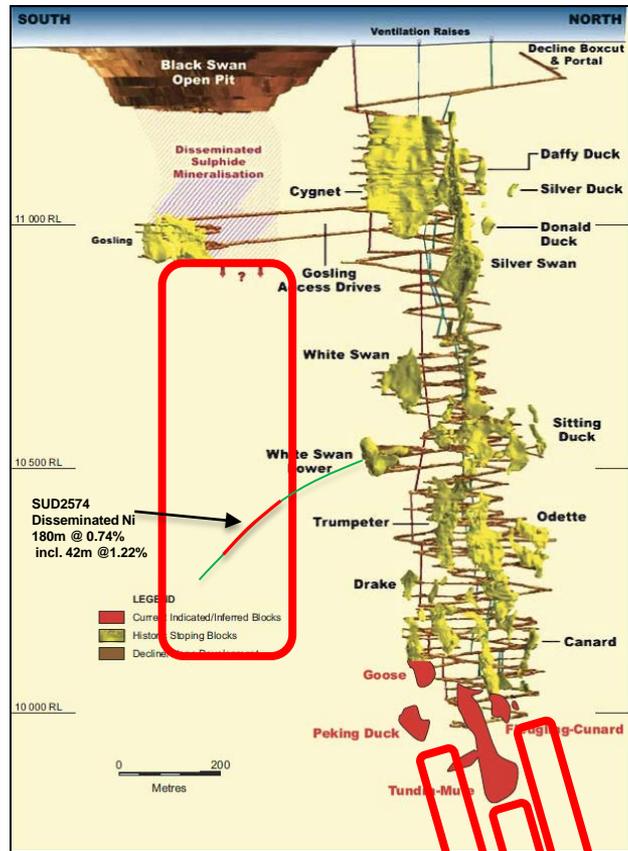
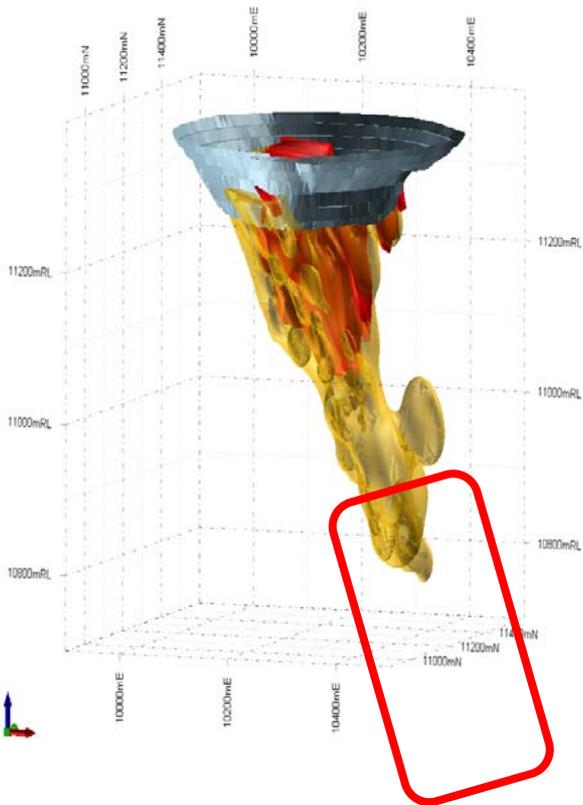
- Silver Swan underground nickel mineralisation
- Black Swan disseminated open pit mine

Exploration Upside

- Silver Swan open at depth & drill targets identified
- Black Swan open pit exploration targets identified



Black Swan/Silver Swan Prospective Exploration Targets



Black Swan & Silver Swan Proposed Restart Metrics

Key Production Physicals	
Life of Mine (LOM) (yrs)	~3
Ore Tonnes Mined (kt)	1,700
Ore Tonnes Delivered (tpy)	1,000,000
ROM diluted nickel head grade (%)	0.75
Nickel metal (ktpa)	~8
Project Commercial Metrics	
Revenue ¹ (A\$m)	\$288.6
C1 Cash Costs ² US\$/lb-Ni	\$3.18
AISC Cash Costs ³ US\$/lb-Ni	\$3.65
Breakeven Nickel Price US\$/lb-Ni (payable)	\$5.10
Max Cash Drawdown (A\$m)	\$39.5
Net Cash Flow (A\$m)	\$60.3
NPV ₁₀ (A\$m)	\$43.3

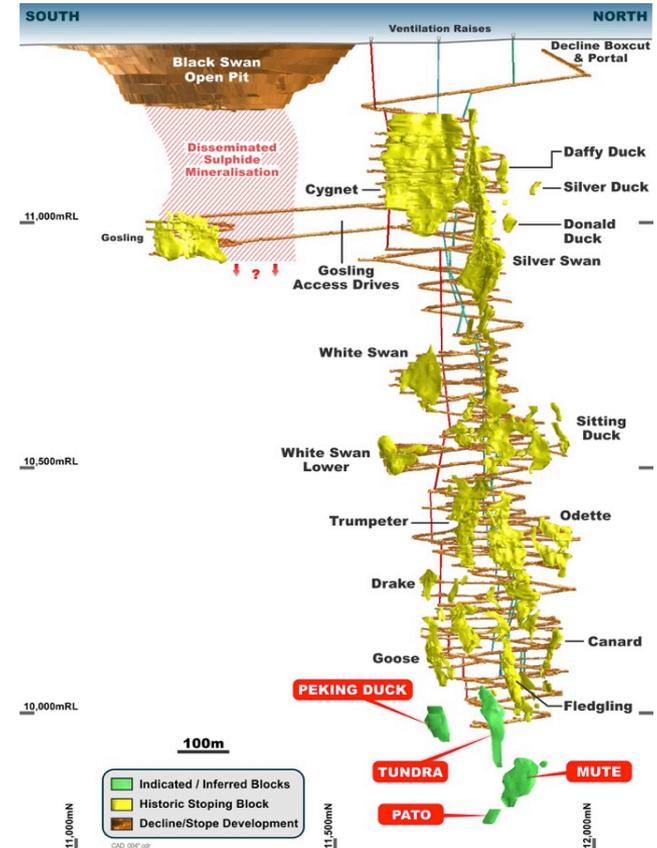
¹ Unless otherwise stated, all cash flows are in Australian dollars and not subject to inflation or escalation factors.

A nickel price of US\$7.70/lb has been assumed and an exchange rate of AUD:USD of 0.76.

² C1 cash costs means operating cash costs including mining, processing, geology, OHSE, site G&A, concentrate transport, royalties, less by-product divided by nickel in concentrate produced (100% payable basis).

³ All-in-sustaining cash costs are C1 cash costs plus mine development and sustaining capital.

⁴ The Company confirms that it is not aware of any new data that materially affects the information contained in the ASX release dated 18 July 2018 and that all material assumptions and technical parameters supporting the information in the ASX release continue to apply and have not materially changed.



Lake Johnston Exploration Focus

Mining & Processing

- Previously operated underground nickel mines
- 1.5mtpa process plant & infrastructure
- Existing village & associated infrastructure
- Operated between 2001 – 2013
- Previous studies completed
- Regulatory approvals progressed

Resources

- Maggie Hays underground mine
- Emily Ann underground mine

Exploration Focus

- Abi Rose discovery offers exploration targets



Abi Rose New Greenfields Nickel Discovery

Hole ID	From_m	To_m	Width	Ni Grade	Details
PLJD0001	435.39	435.58	0.19	10.20%	Remobilised massive sulphide in felsics
PLJD0002	432.00	442.48	10.48	3.20%	Felsic, ultramafic and remobilised sulphide in hw & fw
incl	435.69	441.41	5.72	4.66%	Mineralised Ultramafic Interval
incl	439.09	441.41	2.32	7.62%	Lower Massive Zone
incl	440.12	441.41	1.29	10.22%	High Grade base
PLJD0003	446.10	447.23	1.13	3.35%	Massive sulphides in felsics
incl	446.10	446.36	0.26	8.67%	Remobilised massive sulphides
	449.00	449.62	0.62	1.75%	Stringer and disseminated sulphides



Windarra Nickel Project

Mining & Processing

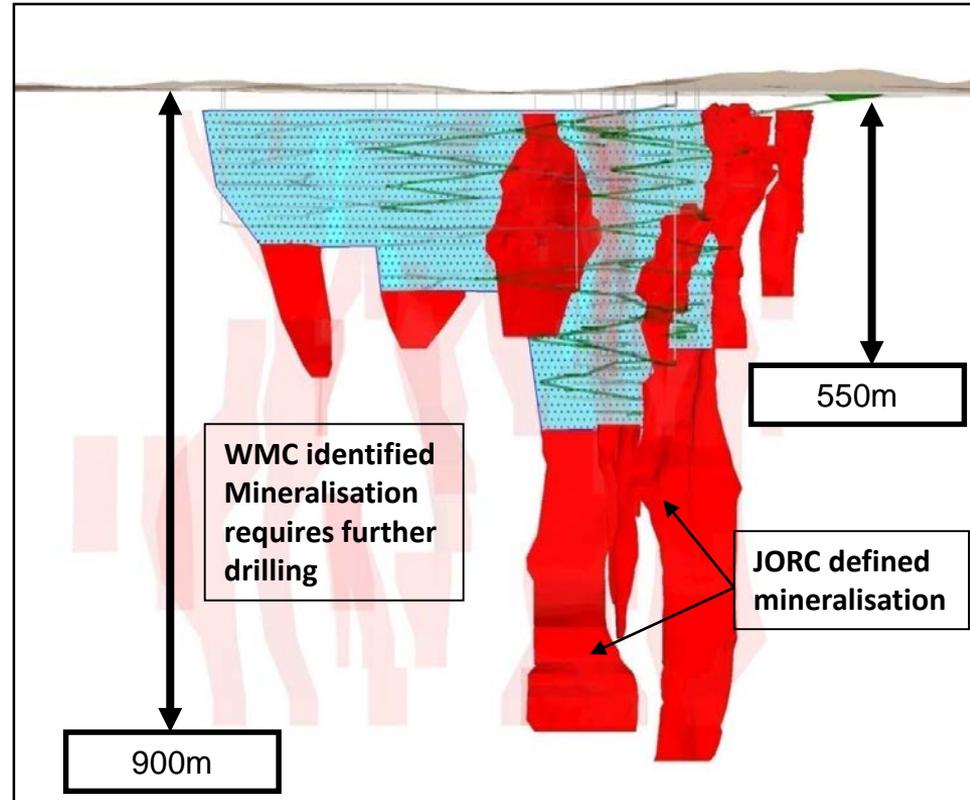
- Existing underground mine & infrastructure
- Operated between 1971 – 1995
- Possible source of ore for Black Swan
- Previous studies completed
- Regulatory approvals progressed

Resources

- Windarra resource mineralisation increased
- Cerberus nickel mineralisation discovery
- Invested circa 100km of exploration drilling
- Existing gold and nickel tailings

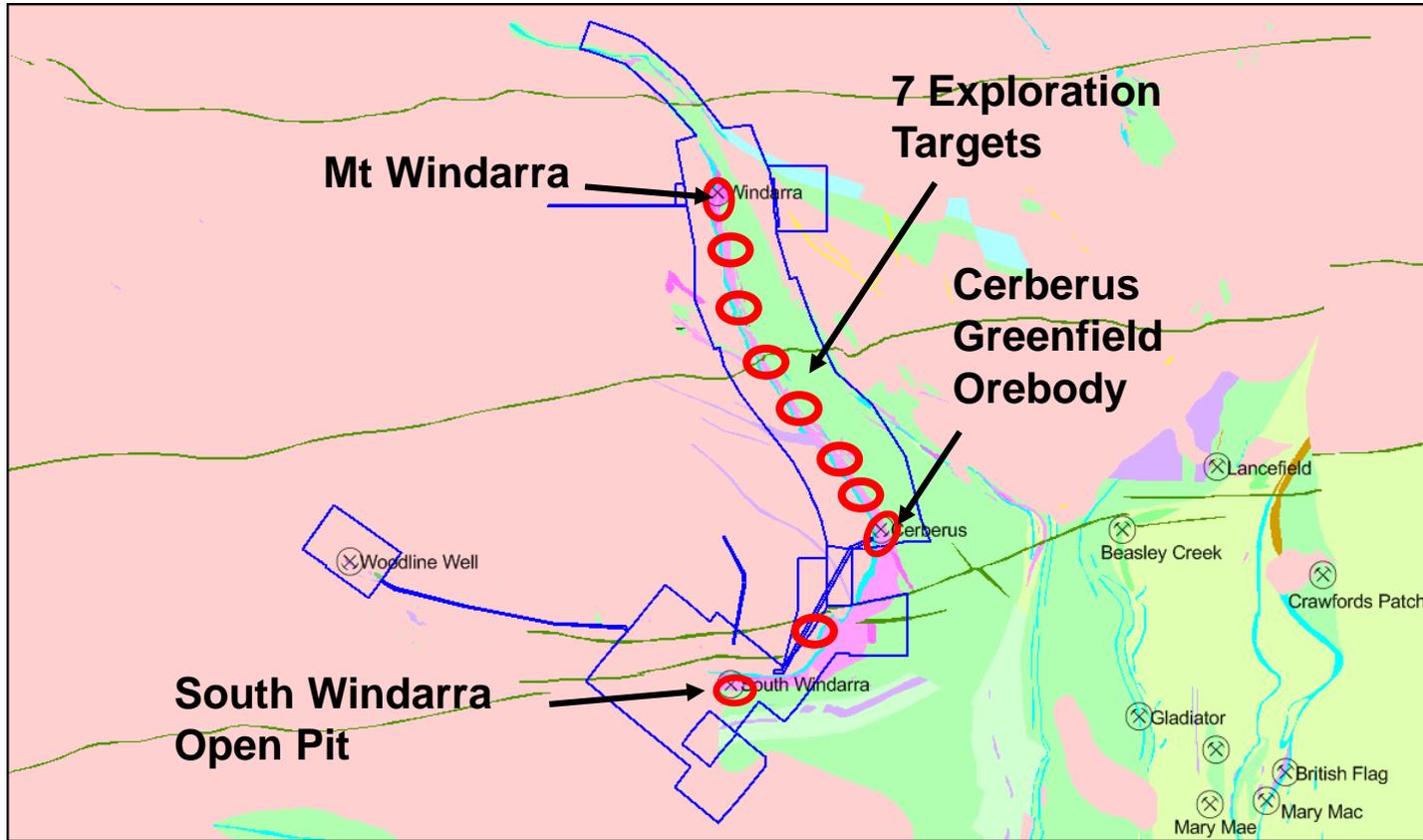
Exploration Upside

- Exploration targets identified



Development of the Windarra Project

Exploration Targets Identified



Emerging Class 1 Nickel Producer

- Following successful equity raise Poseidon fully funded to restart Black Swan Nickel Operations
- Improving nickel market driven by renewable energy & technology
- Experienced board & executive “safe hands”
- One of the largest nickel sulphide resources in Australia
- Two large concentrators located in Western Australia
- Previously operated mines and concentrator
- Concentrate product quality previously established
- Low risk restart
- Low capital intensity
- Exploration targets identified

Poseidon Nickel

Australia's Emerging
Class 1 Nickel Producer

Mineral Resource Statement

Table 1: Nickel Projects Mineral Resource Statement

Nickel Sulphide Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY												
			INDICATED			INFERRED			TOTAL						
			Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
BLACK SWAN PROJECT															
Black Swan	2012	0.40%	9,600	0.68	65,000	21,100	0.54	114,000	30,700	0.58	179,000	0.01	4,200	NA	-
Silver Swan	2012	4.50%	52	9.19	4,800	84	9.01	7,600	136	9.08	12,400	0.17	250	0.45	600
LAKE JOHNSTON PROJECT															
Maggie Hays	2012	0.80%	2,600	1.60	41,900	900	1.17	10,100	3,500	1.49	52,000	0.05	1,800	0.10	3,400
WINDARRA PROJECT															
Mt Windarra	2012	0.90%	922	1.56	14,000	3,436	1.66	57,500	4,358	1.64	71,500	0.03	1,200	0.13	5,700
South Windarra	2004	0.80%	772	0.98	8,000	-	-	-	772	0.98	8,000	NA	-	NA	-
Cerberus	2004	0.75%	2,773	1.25	35,000	1,778	1.91	34,000	4,551	1.51	69,000	NA	-	0.08	3,600
TOTAL															
Total Ni, Co, Cu Resources	2004 & 2012		16,720	1.01	168,700	27,300	0.82	223,200	44,020	0.89	391,900	0.05	7,450	0.10	13,300

Note: totals may not sum exactly due to rounding. NA = information Not Available from reported resource model.
 The Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.
 Black Swan Resource as at 22 July 2014, Silver Swan Resource as at 3 June 2016, Maggie Hays Resource as at 17 March 2015, Mt Windarra, South Windarra and Cerberus Resource as at 30 April 2013

Mineral Resource Statement

Table 2: Gold Tailings Project Mineral Resource Statement

Gold Tailings Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY				
			TOTAL INDICATED				
			Tonnes (Kt)	Au Grade (g/t)	Au (oz)	Ag Grade (g/t)	Ag (oz)
WINDARRA GOLD TAILINGS PROJECT							
Gold Tailings	2004	NA	11,000	0.52	183,000	1.9	670,000
TOTAL							
Total Au Resources	2004		11,000	0.52	183,000	1.9	670,000

Note: totals may not sum exactly due to rounding. Windarra Gold Tailings Resource as at 30 April 2013.

Table 3: Nickel Project Ore Reserve Statement

Nickel Sulphide Reserves	JORC Compliance	ORE RESERVE CATEGORY						
		PROBABLE						
		Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
SILVER SWAN PROJECT								
Silver Swan Underground	2012	57	5.79	3,300	0.11	60	0.26	150
TOTAL								
Total Ni Reserves	2012	57	5.79	3,300	0.11	60	0.26	150

Note: Calculations have been rounded to the nearest 10,000 t of ore, 0.01 % Ni grade 100 t Ni metal and 10t of cobalt metal.

Co & Cu grades and metal content for Black Swan require additional modelling prior to estimation.

Silver Swan Underground Reserve as at 26 May 2017, Black Swan Open Pit Reserve as at 5 November 2014.

The Company is not aware of any new information or data that materially affects the information in this report and the Resource/Reserve tables above. Such information is based on the information compiled by the Company's Geologists and the Competent Persons as listed below in the Competent Person Statements.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled and reviewed by Mr N Hutchison, General Manager of Geology who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists.

The information in this report which relates to the Black Swan Mineral Resource is based on, and fairly represents, information compiled by Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd. The information in this report which relates to the Black Swan Ore Reserve is based on, and fairly represents, information compiled by Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and who is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Silver Swan Mineral Resource is based on, and fairly represents, information compiled by Neil Hutchison, General Manager of Geology at Poseidon Nickel, who is a Member of The Australian Institute of Geoscientists and Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Silver Swan Ore Reserve is based on, and fairly represents, information compiled by Matthew Keenan who is a full-time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Lake Johnston Mineral Resource is based on, and fairly represents, information compiled by Neil Hutchison, General Manager of Geology at Poseidon Nickel, who is a Member of The Australian Institute of Geoscientists and Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Lake Johnston Ore Reserves Project is based on, and fairly represents, information compiled by Matt Keenan who is a full time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report that relates to Mineral Resources at the Windarra Nickel Project and Gold Tailings Project is based on, and fairly represents, information compiled by Neil Hutchison, General Manager of Geology at Poseidon Nickel, who is a Member of The Australian Institute of Geoscientists and Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. The Windarra Project contains Mineral Resources which are reported under JORC 2004 Guidelines as there has been no Material Change or Re-estimation of the Mineral Resource since the introduction of the JORC 2012 Codes. Future estimations will be completed to JORC 2012 Guidelines.

Mr Hutchison, Mr Glacken, Mr Weeks, and Mr Keenan all have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Mr Hutchison, Mr Glacken, Mr Weeks, and Mr Keenan have consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Competent Persons Statement

FORWARD LOOKING STATEMENT – INFERRED RESOURCE STATEMENTS:

The Company notes that an Inferred Resource has a lower level of confidence than an Indicated Resource and that the JORC Codes, 2012 advises that to be an Inferred Resource it is reasonable to expect that the majority of the Inferred Resource would be upgraded to an Indicated Resource with continued exploration. Based on advice from relevant competent Persons, the Company has a high degree of confidence that the Inferred Resource for the Silver Swan deposit will upgrade to an Indicated Resource with further exploration work.

The Company believes it has a reasonable basis for making the forward looking statement in this announcement, including with respect to any production targets, based on the information contained in this announcement and in particular, the JORC Code, 2012 Mineral Resource for Silver Swan as of May 2016, together with independent geotechnical studies, determination of production targets, mine design and scheduling, metallurgical testwork, external commodity price and exchange rate forecasts and worldwide operating cost data.

FORWARD LOOKING STATEMENTS:

This release contains certain forward looking statements including nickel production targets. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “except”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward looking statements

Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility and potential development of the Silver Swan underground mine.

