

28th November 2014

ADDENDUM TO THE 2014 ANNUAL REPORT

Poseidon Nickel Limited (ASX:POS or the Company) wishes to provide additional information to the Company's 2014 Annual Report in accordance with Listing Rule 5.21.5.

2014 Annual Report – Page 36: Mineral Resource and Ore Reserve Estimation Governance Statement

Poseidon Nickel Limited ensures that the Mineral Resource and Ore Reserve estimates are subject to appropriate levels of governance and internal controls. The Mineral Resource and Ore Reserve estimation procedures are well established and are subject to systematic internal peer review and external technical review undertaken by highly competent and qualified professionals. These reviews have not identified any material issues and are undertaken as part of a formal risk assessment. The Company periodically reviews the governance framework in line with the expansion and development of its business.

Poseidon Nickel Limited reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition. Mineral Resources are quoted inclusive of Ore Reserves. Competent Persons named by the Company are Members or Fellows of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code.

The table below sets out Mineral Resources and Ore Reserve comparatives for 2013 and 2014. It should be noted that the addition of the Black Swan Mineral Resource occurred post 30 June 2014 and has been included for completeness.

ORE RESERVE STATEMENT *Note: totals may not sum exactly due to rounding*

Windarra Nickel Sulphide Project	Ore Reserves (JORC 2004) – as at 30 June 2014			Ore Reserves (JORC 2004) – as at 30 June 2013		
	Probable			Probable		
	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt
Cerberus	1,221	1.3	16	1,221	1.3	15.9
Mt Windarra	498	1.78	9	498	1.78	8.85
Total Reserves	1,719	1.44	25	1,719	1.44	24.75

Table 1: Windarra Nickel Project Ore Reserve Statement

MINERAL RESOURCE STATEMENT *Note: totals may not sum exactly due to rounding*

Windarra Nickel Sulphide Project	Mineral Resource (JORC 2004) – as at 30 June 2014									Mineral Resource (JORC 2004) – as at 30 June 2013								
	Indicated			Inferred			TOTAL			Indicated			Inferred			TOTAL		
	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt
Mt Windarra	1,217	1.39	17	3,553	1.78	63	4,770	1.68	80	1,217	1.39	17.1	3,553	1.78	63,100	4,770	1.68	80.2
South Windarra	772	0.98	8	-	-	-	772	0.98	8	772	0.98	7.5	-	-	-	772	0.98	7.5
Cerberus	2,773	1.25	35	1,778	1.91	34	4,551	1.51	69	2,773	1.25	34.6	1,778	1.91	34,000	4,551	1.51	68.6
Total Sulphide	4,762	1.24	60	5,331	1.82	97	10,093	1.55	157	4,762	1.24	59.2	5,331	1.82	97,100	10,093	1.55	156.3

Table 2: Windarra Nickel Sulphide Project - Mineral Resource Statement

Black Swan Nickel Sulphide Project	Mineral Resource (JORC 2012) – as at 30 June 2014									Mineral Resource (JORC 2012) – as at 30 June 2013								
	Indicated			Inferred			TOTAL			Indicated			Inferred			TOTAL		
	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt
Black Swan	9,600	0.68	65	21,100	0.54	114	30,700	0.58	179	-	-	-	-	-	-	-	-	-
Total Sulphide	9,600	0.68	65	21,100	0.54	114	30,700	0.58	179	-	-	-	-	-	-	-	-	-

Table 3: Black Swan Nickel Sulphide Project - Mineral Resource Statement

Windarra Nickel Tailings & Oxide Project	Mineral Resource (JORC 2004) – as at 30 June 2014									Mineral Resource (JORC 2004) – as at 30 June 2013								
	Indicated			Inferred			TOTAL			Indicated			Inferred			TOTAL		
	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt	Tonnes Kt	Ni% Grade	Ni Metal Kt
Woodline Well	-	-	-	344	1.25	4	344	1.25	4	-	-	-	344	1.25	4.3	344	1.25	4.3
Sth Windarra Dumps	2,976	0.41	12	-	-	-	2,976	0.41	12	2,976	0.41	12.2	-	-	-	2,976	0.41	12.2
Central Tailings Dam	9,602	0.34	33	-	-	-	9,602	0.34	33	9,602	0.34	32.6	-	-	-	9,602	0.34	32.6
Total Tailings & Oxide	12,578	0.36	45	344	1.25	4	12,922	0.38	49	12,578	0.36	44.8	344	1.25	4.3	12,922	0.38	49.1

Table 4: Windarra Nickel Tailings & Oxide Project - Mineral Resource Statement

Windarra Gold Tailings Project	Mineral Resource (JORC 2004) – as at 30 June 2014			Mineral Resource (JORC 2004) – as at 30 June 2013		
	Indicated			Indicated		
	Tonnes Kt	Grade g/t	Au Koz	Tonnes Kt	Grade g/t	Au Koz
Gold Tailings	11	0.52	183	10,993	0.52	182.5
Total Gold Tailings	11	0.52	183	10,993	0.52	182.5

Table 5: Windarra Gold Tailings Project - Mineral Resource Statement

Notes

The information in this report that relates to the Windarra Nickel Project, Mineral Resources is based on 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 that relates to Ore Reserves at the Windarra Nickel Project is based on information compiled by Denis Grubic, who is a Member of The Australasian Institute of Mining and Metallurgy as well as a full time employee of Rock Team Pty Ltd.

The information in this report which relates to the Black Swan Mineral Resource and Ore Reserves is based on information compiled by Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and Francois Bazin of IMC Mining Pty Ltd who are both Members of the Australasian Institute of Mining and Metallurgy.

Mr Hutchison, Mr Glacken, Mr Weeks, Mr Bazin and Mr Grubic 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, Mr Bazin and Mr Grubic have consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This document contains Mineral Resources and Ore Reserves which are reported under JORC 2004 Guidelines as there has been no Material Change or Re-estimation of the Mineral Resource or Ore Reserves since the introduction of the JORC 2012 Codes. Future estimations will be completed to JORC 2012 Guidelines.

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

CORPORATE DIRECTORY

Director / Senior Management

David Singleton	Managing Director & Chief Executive Officer
Chris Indermaur	Non-Executive Chairman
Geoff Brayshaw	Non-Executive Director
Robert Dennis	Non-Executive Director
Ross Kestel	Company Secretary

Corporate Enquiries

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Home Exchange

The Company's shares are listed
on the Australian Securities Exchange
and the home exchange is Perth
ASX code: POS