

7th February 2014

ASX Market Announcements
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BY EMAIL

Voluntary Suspension Update

Poseidon Nickel Limited (**Poseidon** or **the Company**) (ASX: POS) would like to update Shareholders on the status of the Company's voluntary suspension.

The suspension was requested by the Company on 28 January 2014 due to discussions regarding funding arrangements/capital raising initiatives.

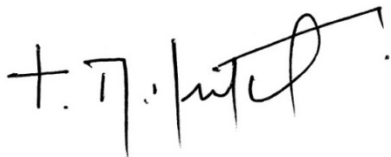
The discussions are in the main strictly commercial in confidence and as such the Company believes that it is still appropriate for its securities to remain in voluntary suspension whilst it progresses through these discussions with respect to potential off-take and funding arrangements.

The Company has resolved to extend the current voluntary suspension which is in place, while it seeks to conclude these discussions with potential investors and key stakeholders.

In accordance with ASX Listing Rule 17.1, the Company advises that:

1. It expects to remain in voluntary suspension pending the progress of discussions;
2. The event that is expected to end the voluntary suspension is an announcement by Poseidon that it has concluded the relevant discussions; which the Company anticipates at this time it will be able to make no later than pre-open of trading on **Monday, 17 February 2014**;
3. The Company is not aware of any reason why the voluntary suspension should not be granted; and
4. It is not aware of any other information necessary to inform the market about the suspension.

Yours faithfully



Ross Kestel
Company Secretary