

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

<b>Name of entity</b>	<b>Poseidon Nickel Limited</b>
<b>ACN</b>	<b>060 525 206</b>

We (the entity) give ASX the following information.

### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 9,340,135  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)   | Fully paid Ordinary  |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br><ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | Shares will rank equally with the existing class of quoted Shares. |

+ See chapter 19 for defined terms.

5	Issue price or consideration	<p>4,238,094 fully paid Ordinary Shares for a total consideration of \$660,000; and</p> <p>5,102,041 fully paid Ordinary Shares for a total consideration of \$300,000 based on the VWAP as at 10 September 2015 (\$0.0588)</p>
6	Purpose of the issue (If issued as consideration for acquisition of assets, clearly identify those assets)	Placement of Shares to professional and sophisticated investors in completion of the October 2014 capital raising. Funds raised will be applied to Silver Swan studies and care & maintenance program.
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	At the 26 November 2014 General Meeting
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	9,340,135
6d	Number of <sup>+</sup> securities issued with security holder approval under rule 7.1A	Not Applicable
6e	Number of <sup>+</sup> securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not Applicable
6f	Number of securities issued under an exception in rule 7.2	Nil
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Not Applicable
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A

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+ See chapter 19 for defined terms.

6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table border="1"> <tr> <td colspan="2"><u>Remaining Issue Capacity under rule 7.1</u></td> </tr> <tr> <td colspan="2">76,782,016</td> </tr> <tr> <td colspan="2"><u>Remaining Issue Capacity under rule 7.1A</u></td> </tr> <tr> <td colspan="2">68,146,472</td> </tr> </table>	<u>Remaining Issue Capacity under rule 7.1</u>		76,782,016		<u>Remaining Issue Capacity under rule 7.1A</u>		68,146,472					
<u>Remaining Issue Capacity under rule 7.1</u>														
76,782,016														
<u>Remaining Issue Capacity under rule 7.1A</u>														
68,146,472														
7	Issue dates	14 September 2015												
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="837 526 1085 560">Number</th> <th data-bbox="1093 526 1495 560">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="837 560 1085 660" style="text-align: center;"><b>706,902,413</b></td> <td data-bbox="1093 560 1495 660">Ordinary fully paid Shares</td> </tr> <tr> <td data-bbox="837 672 1085 772" style="text-align: center;">2,975,000</td> <td data-bbox="1093 672 1495 772">31 August 2016 Unlisted Options (Employee) exercisable at 22 cents</td> </tr> <tr> <td data-bbox="837 784 1085 862" style="text-align: center;">4,250,000</td> <td data-bbox="1093 784 1495 862">23 November 2016 Unlisted Options exercisable at 22 cents</td> </tr> <tr> <td data-bbox="837 873 1085 1019" style="text-align: center;">36,531,904</td> <td data-bbox="1093 873 1495 1019">March 2011 six (6) year USD \$15m Unsecured Convertible Notes valued on an exchange rate of \$1.0265 convertible at \$0.40</td> </tr> <tr> <td data-bbox="837 1030 1085 1198" style="text-align: center;">64,945,608</td> <td data-bbox="1093 1030 1495 1198">March 2011 six (6) year USD \$20m Unsecured Convertible Notes valued on an exchange rate of \$1.0265 convertible at \$0.30</td> </tr> </tbody> </table>	Number	+Class	<b>706,902,413</b>	Ordinary fully paid Shares	2,975,000	31 August 2016 Unlisted Options (Employee) exercisable at 22 cents	4,250,000	23 November 2016 Unlisted Options exercisable at 22 cents	36,531,904	March 2011 six (6) year USD \$15m Unsecured Convertible Notes valued on an exchange rate of \$1.0265 convertible at \$0.40	64,945,608	March 2011 six (6) year USD \$20m Unsecured Convertible Notes valued on an exchange rate of \$1.0265 convertible at \$0.30
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not Applicable												

## Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 are not applicable

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Questions 35 to 42 not applicable

### Quotation agreement

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+ See chapter 19 for defined terms.

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

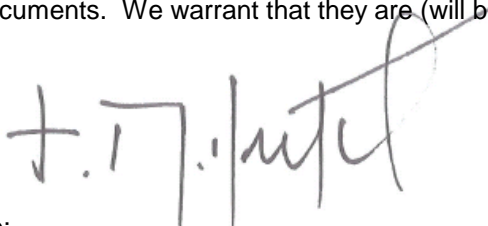
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 14 September 2015

Print name:

**Ross Kestel**  
**Company Secretary**

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for <sup>+</sup>eligible entities

Introduced 01/08/12

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	679,947,998
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	-  302,812 Shares issued on 9/12/14 352,765 Shares issued on 13/01/15 448,985 Shares issued on 14/04/15 412,161 Shares issued on 07/07/15  -
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	N/A
<b>“A”</b>	681,464,721
<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15  <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	<b>102,219,708</b>

+ See chapter 19 for defined terms.

**Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used**

<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>25,437,692</p> <p>-</p> <p>-</p> <p>-</p>
<b>“C”</b>	<b>25,437,692</b>

**Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1**

<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>102,219,708</p>
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>25,437,692</p>
<p><b>Total</b> [“A” x 0.15] – “C”</p>	<p><b>76,782,016</b></p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	681,464,721
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	<b>68,146,472</b>
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	-
<b>“E”</b>	-

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<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	68,146,472
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	-
<b>Total</b> [“A” x 0.10] – “E”	<b>68,146,472</b>  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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