

POSEIDON NICKEL

Primed for the Nickel Revival

Rob Dennis, MD & CEO

Diggers & Dealers Site Tours August 2019



The Poseidon Proposition

Primed to commence nickel production

BLACK SWAN

- Ready to restart in less than 9 months at \approx 8,000t nickel p.a.
 - 3 year mine life to date – Black Swan Disseminated Deposit drilling commenced
 - 2.2 Mtpa Concentrator (running at 50%), all infrastructure, grid power connection
 - Early works refurbishment underway
 - AISC – US\$5.10* (Current spot \approx \$6.50)
 - Capital Cost of \$57m* (Current cash \$60m, debt \$25m)
 - De-risking of restart plan complete

Supportive nickel price environment

- LME Ni stocks at five year lows – market in to deficit
- Nickel price up 34% YTD. Longer term underpinned by Electric Vehicle demand

Medium & longer term upside

LAKE JOHNSTON

- New discovery at Abi Rose and significant exploration upside
- 1.5mt concentrator and associated infrastructure

WINDARRA

- Cerebrus deposit – 69,000t Ni with mine plan, exploration upside

(* ASX announcement 18 July 2018)

Key Strategies & Timetable

- Black Swan restart ready **9 months**
- Current drilling program targeting
 - High grade Silver Swan – complete **June 2019**
 - Disseminated Black Swan ore body drilling program commencing **August 2019**
- Updated Silver Swan resources **August 2019**
- Ongoing development of opportunities
 - Proximal external ore sources
 - R&D enhanced process recovery
- Continue to build processing utilisation options – toll treatment
- Optimise value of Lake Johnston, & Windarra (Cerberus and exploration)



Nickel Portfolio Profile: 395,530 t contained Nickel

Black Swan Operations**

- Silver Swan underground Ni mine 16.0kt Ni Tonnes* (Grade - 9.5%)**
- Black Swan Ni open pit & stockpiles 179kt Ni Tonnes* (Grade - 0.7%)**
- 2.2mtpa process plant
- Exploration upside

Lake Johnston Operations**

- Maggie Hays Ni Mine 52kt Ni Tonnes* (Grade - 1.5%)**
- Emily Ann Ni Mine – now closed
- Recent Abi Rose Ni discovery – New geological model
- 1.5mtpa process plant
- Exploration upside

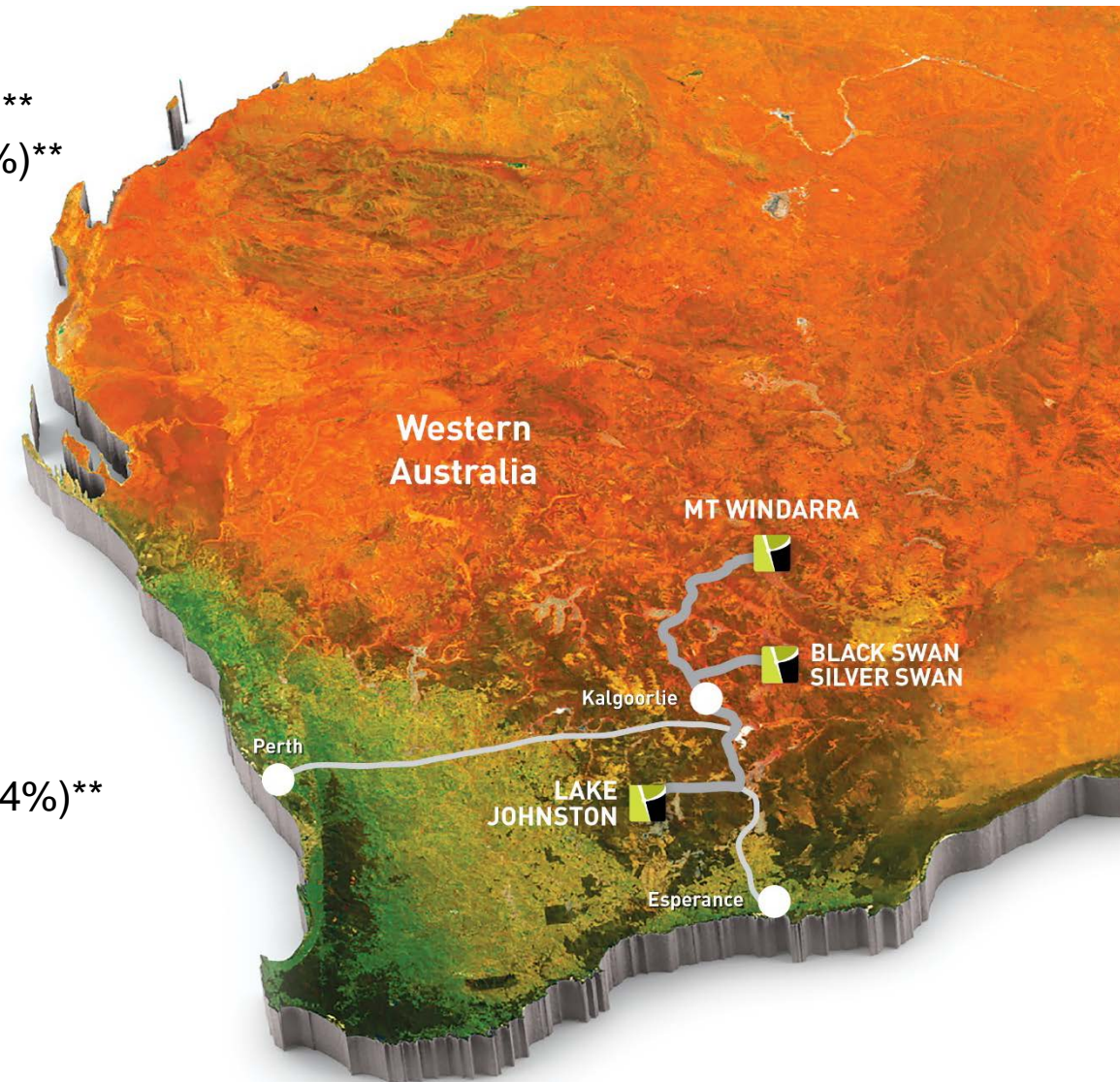
Windarra Nickel Operations**

- Mt Windarra & underground Ni mine 71.5kt Ni Tonnes* (Grade - 1.64%)**
- Cerberus Nickel deposit 69kt Ni Tonnes* (Grade - 1.5%)**
- Potential to upgrade and process ore at Black Swan
- Gold Tailings - Au 183koz & Ag 670koz***

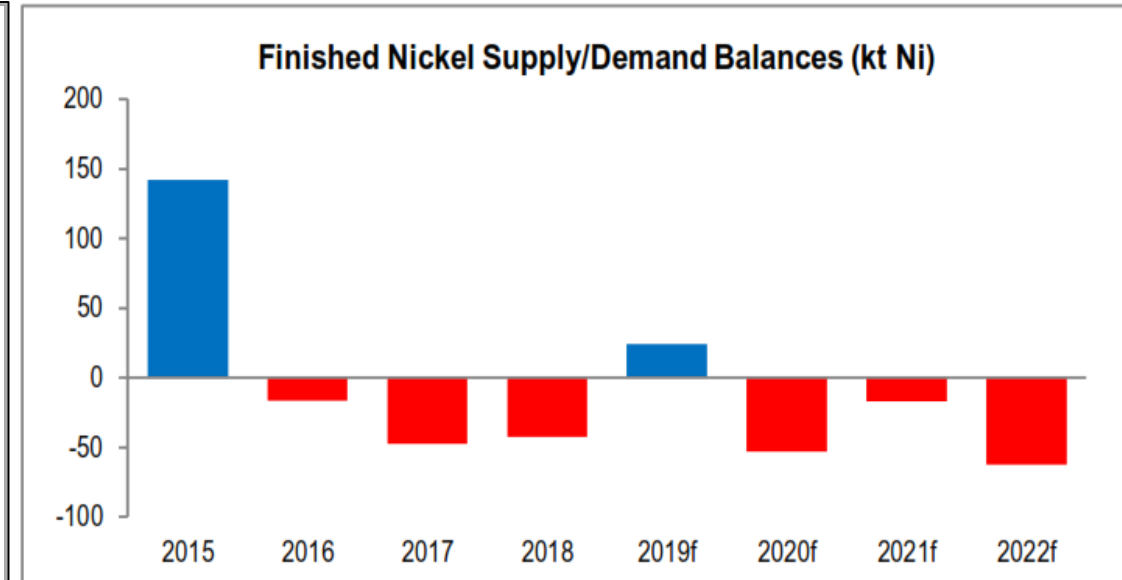
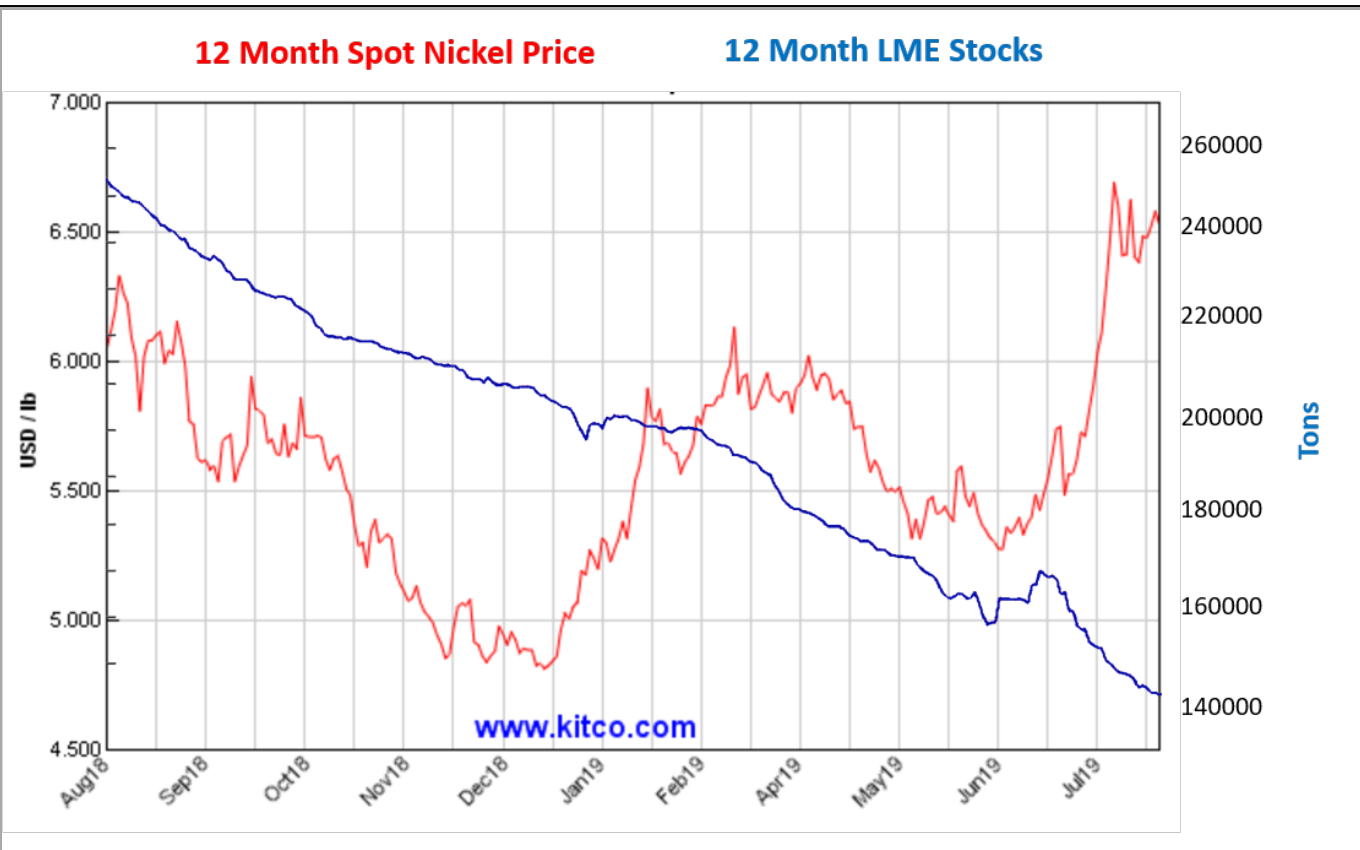
* Contained Ni metal

**Reference Mineral Resources Statement Table 1 attached

***Reference Mineral Resources Statement Table 2 attached



Supportive Nickel Price Environment



- Sustained growth in stainless steel demand
- New and accelerating demand from Lithium battery technology, driven by electric vehicles
- Declining LME stocks, lowest level in 5 years
- Forecast Nickel supply deficit

Black Swan Nickel Operations

- **July 2018 Study****
 - Estimated Restart Capex
 - Silver Swan Underground \$13m
 - Black Swan Processing plant \$19m
 - Sustaining Capex \$25m
 - All In Sustaining Cost – US\$5.10
 - 3.1 Year mine life
- Operational restart requires less than 12 months
- Planned 1.1mtpa start up capacity (2.2m tonne name plate concentrator)
- Silver Swan underground: 16.0kt Ni* (Grade - 9.5%)**
- Black Swan open pit & stockpiles: 179kt Ni* (Grade - 0.6%)***
- Fully operational infrastructure
- Connected to the State Power Grid - potential lower power costs
- Exploration upside Black Swan and Silver Swan
- Restart planning and Study subject to ongoing optimisation

(*Contained Nickel Metal)

(** ASX announcement 18 July 2018)

***Reference Mineral Resources Statement Table 2 attached

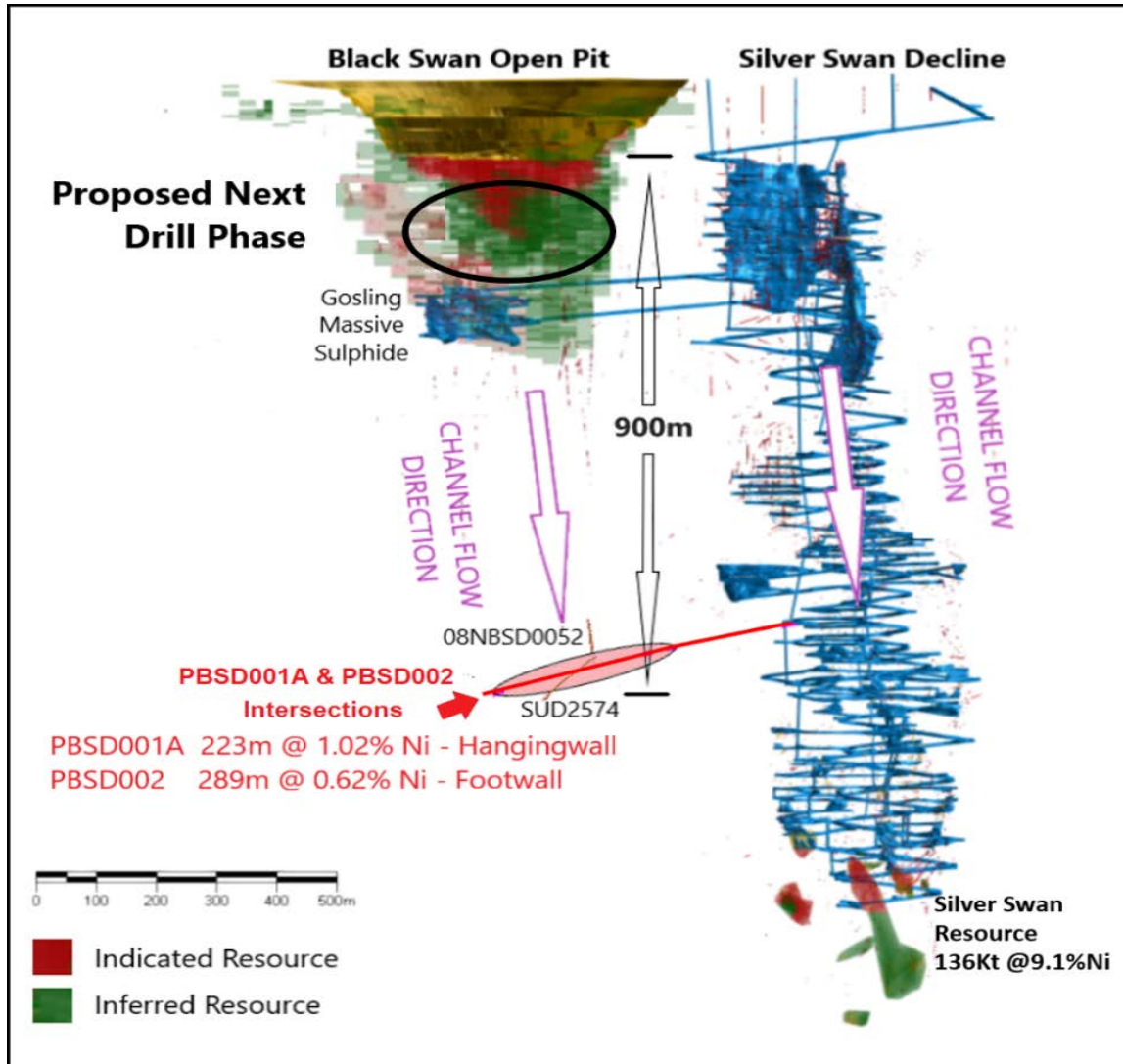
1 All in sustaining cash (AISC) costs are C1 cash costs plus mine development and sustaining capital on a payable basis (excludes once off pre-production capital costs).

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

3 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.)



Black Swan – Disseminated Resource Potential Expanding

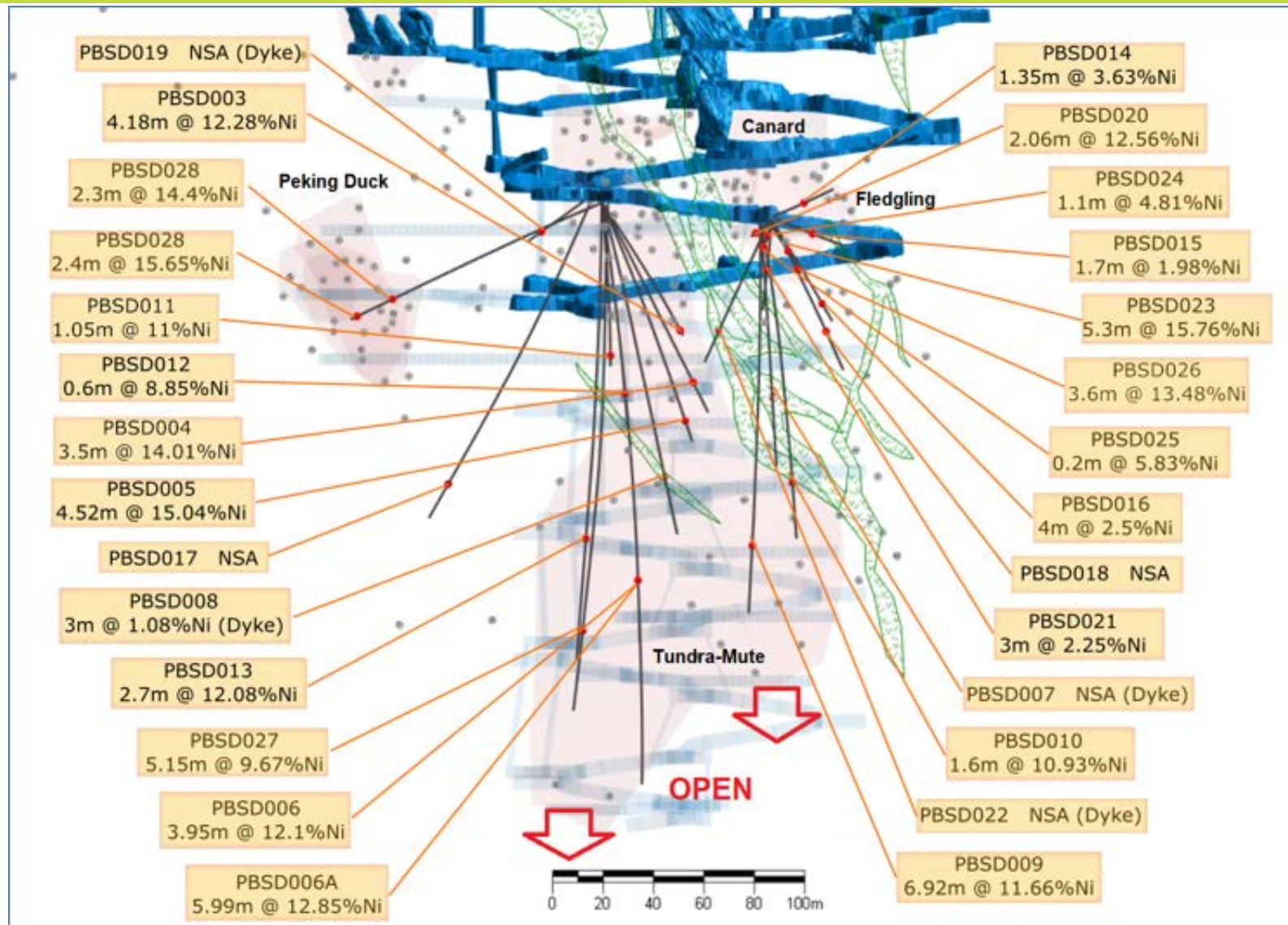


- Commenced next drilling phase to target ore between Gosling deposit and the open pit floor
- Current Resource (Indicated & Inferred)**
 - 30mt @ 0.6% for 179,000t Ni Tonnes*
- Open pit benches available to mine
- Current deep drilling confirms continuity of the Black Swan disseminated mineralisation at depth (both grade and scale)

(*Contained Ni metal)

**Reference Mineral Resources Statement Table 1 attached

Silver Swan High Grade Drilling Results

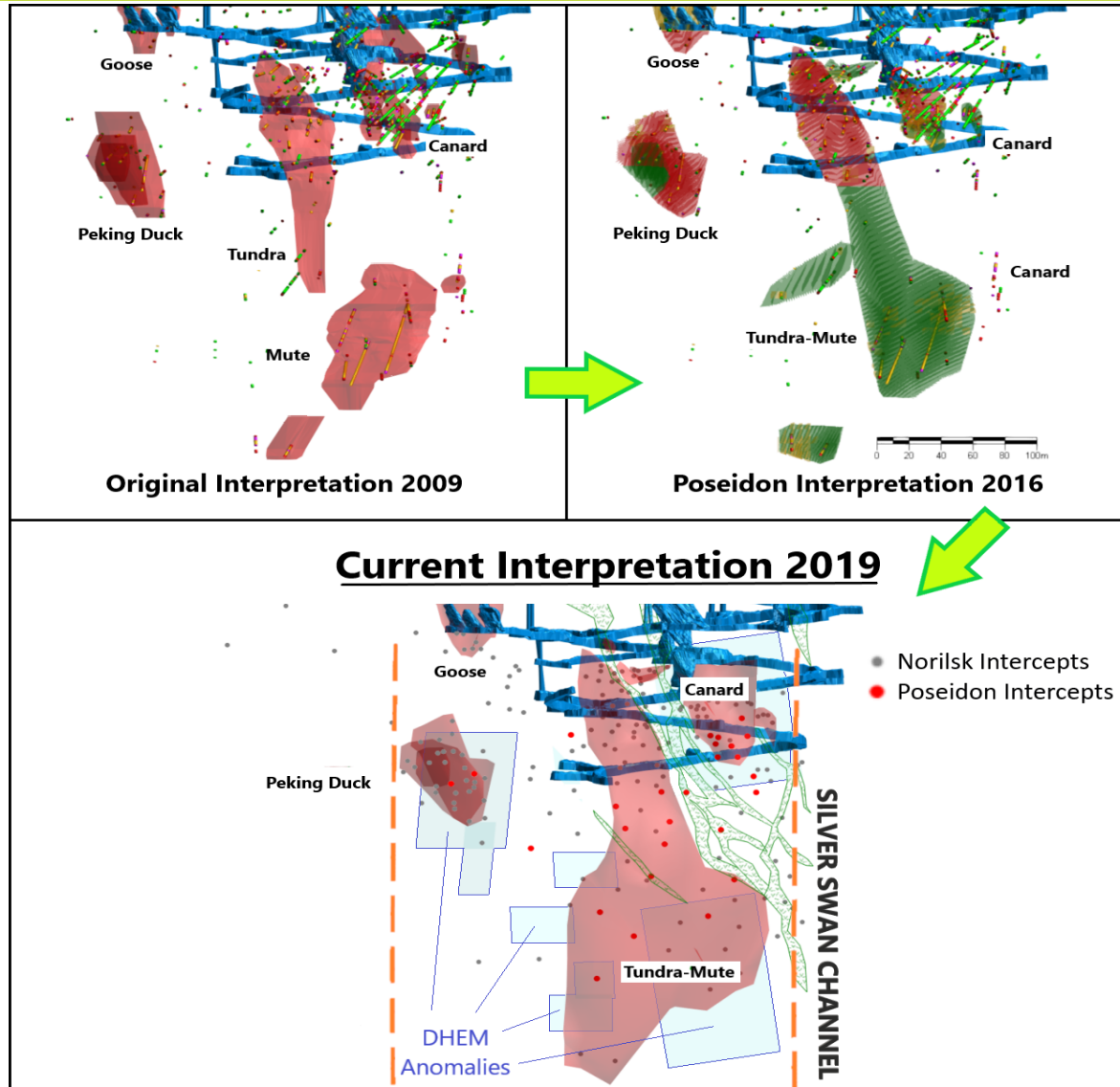


SILVER SWAN

- One of the highest grade Nickel deposits globally
- 3,662m drilling program completed
- Drilling intersected high grade massive nickel sulphides – up to 19% nickel*
- Drilling confirmed additional continuity of the mineralisation across strike and down plunge

• (* ASX release 27th May & 12 June 2019)

Silver Swan Resource Growth



- New Silver Swan Resource
- 2019 drill expanded the Silver Swan resource by 30% (3,630 Ni tonnes) to 168,000t @ 9.5%, 16,030 Ni tonnes **
- DHEM plates indicates further opportunity for resource extension

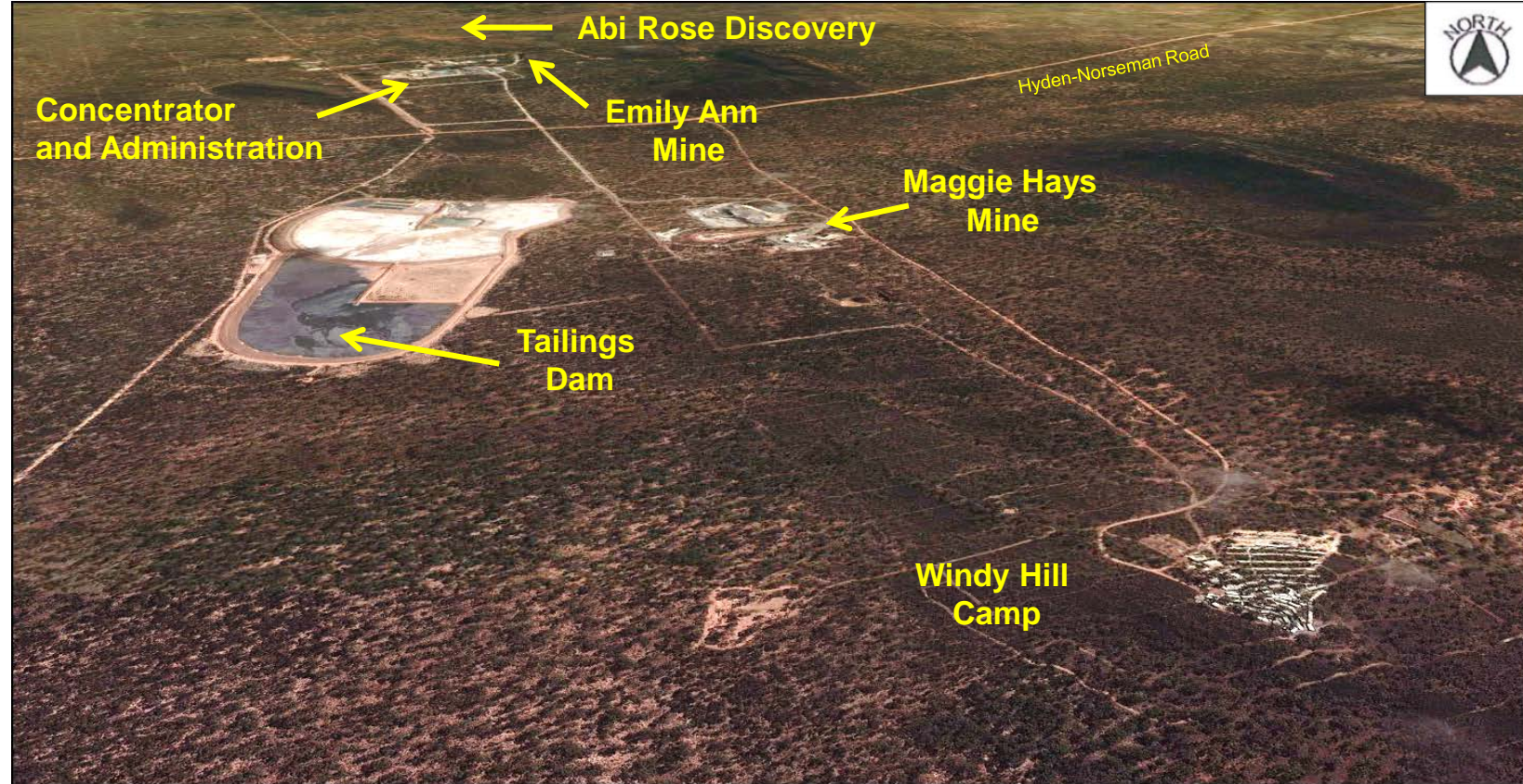


Silver Swan Massive sulphide – PBSD005

**Reference Mineral Resources Statement Table 1 attached

Lake Johnston Operation

- Abi Rose new discovery provides significant exploration upside potential
- Two Historical Mines
 - Emily Ann Mine (mined 2001 – 2007)
 - Maggie Hays Mine
 - Remaining resource 3.5m @ 1.5% Ni Tonnes** for 52,000 Ni Tonnes*
- 1.5mtpa Concentrator

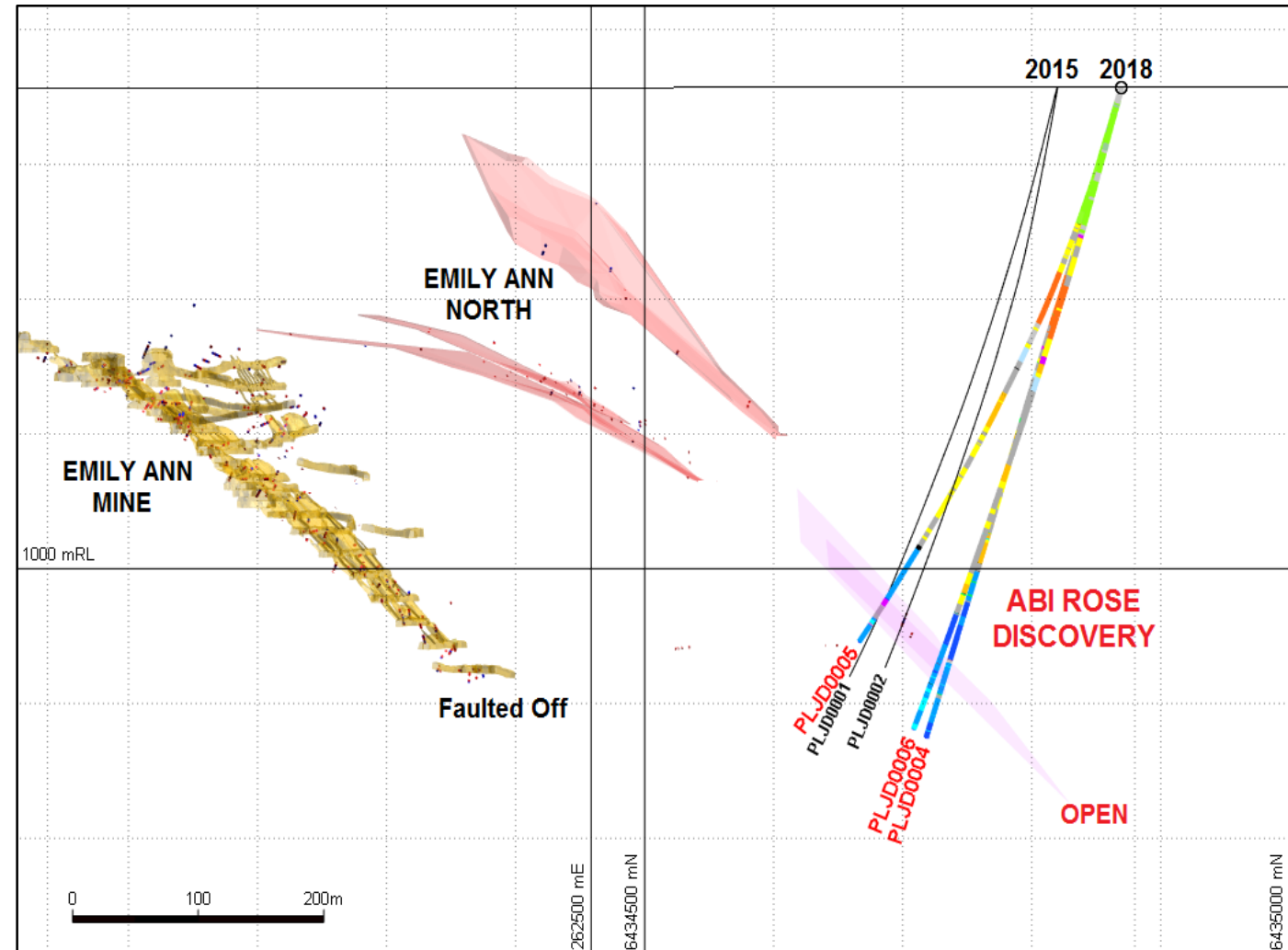


(*Contained Ni metal)

**Reference Mineral Resources Statement Table 1 attached

Lake Johnston – Abi Rose Discovery & Exploration

- Confirmation of intrusive nickel-copper style model NOT traditional komatiite hosted model leading to Abi Rose discovery
- Current geological review outcomes
 - Scope for continuity of mineralisation
 - a new intrusive nickel-copper model best intersection in PLJD0002 - 10.48m @ 3.2% Ni *
- Indicates scope for larger scale potential



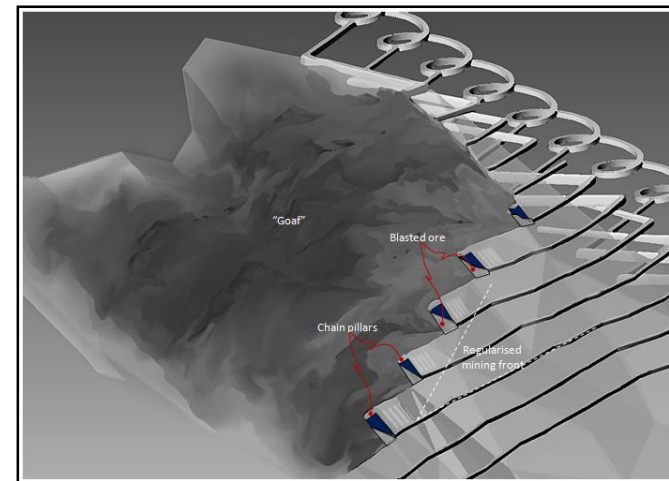
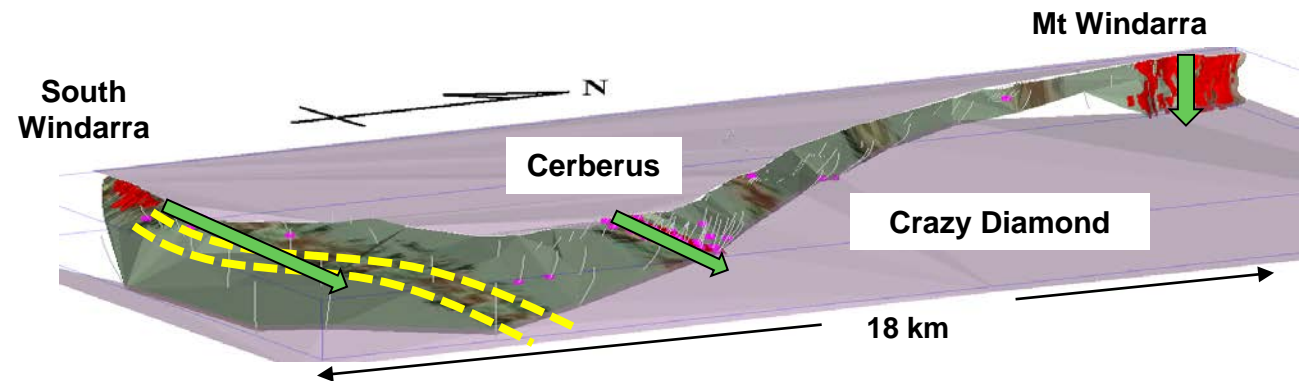
(*ASX release Successful drilling program at Abi Rose 21st November 2018)

Windarra Nickel Project

- Discovered 1969 – Poseidon Nickel NL
 - 8 mt mined and process to produce
 - 84,000 Ni Tonnes* (1974 to 1993)
- Mt Windarra Underground mine remnant resources
 - 4.36 mt @ 1.64% 71,500t Ni Tonnes**
 - Mine decline partially refurbished in 2011
- Cerberus deposit 4.55mt @ 1.51% 69,000 Ni Tonnes** has existing mine development plan
- Remaining/proximal exploration potential
- Currently on Care and Maintenance

(*Contained Ni metal)

**Reference Mineral Resources Statement Table 1 attached



Cerberus Conceptual mine design

- First ore 80m from surface
- Mineralisation open down dip and plunge

Summary

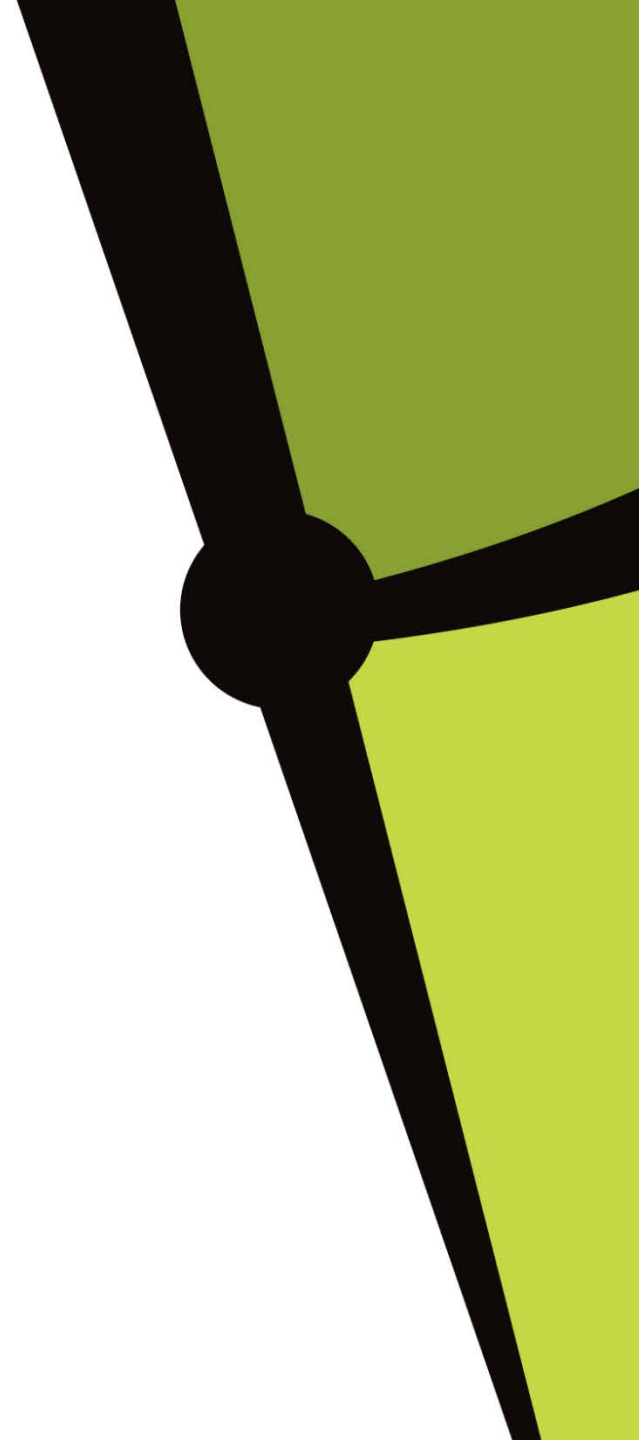
- Three strategic Nickel assets – Geologically and Geographically significant
- Short time frame for Black Swan operational restart - optimisations continuing
- Well positioned to leverage off a rising Nickel Price
- Continuing strong demand for Nickel
 - Stainless steel growth / Demand for battery metals
- Experienced Board and Management Team
 - Project delivery/re-commencement of operations
 - Strategic development and optimisation
- Geologically driven resource expansion (life extension)
- Robust Balance sheet - \$60.1m cash and \$25m debt – Net ~AU \$35m cash
- Supportive cornerstone stakeholders

Disclaimer

This presentation has been prepared for the purpose of providing general information about Poseidon Nickel Limited ("Poseidon"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in Poseidon or as an inducement to make an offer or invitation with respect to those securities. It is not recommended that any person makes an investment decision in relation to Poseidon in reliance on this presentation material.

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This overview does not purport to be all-inclusive or to contain all information which its recipients may require in order to make an informed assessment of the projects prospects. Each of Poseidon, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. Poseidon accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation.



Corporate Profile

Capital Structure/Enterprise Value

ASX Ticker	POS
Shares on Issue	2.64bn
Share Price	~\$0.04
Market Cap	~\$106M
Cash	~\$60.1M
Debt (convertible note)	\$US\$17.5 - \$AU25M

Significant Shareholders

Black Mountain Metals Ltd	~20%
Squadron Resources Ltd	~18%



Board of Directors

Geoff Brayshaw

*Non Executive Director
& Interim Chair*



- Chartered Accountant with over 35 years' experience primarily in audit & assurance, corporate finance & litigation support
- Former independent Director of Fortescue Metals Group and AVEA Insurance Ltd
- Former Board member of the WA Small Business Development Corporation
- Served on the Poseidon Board since February 2008

Robert Dennis

*Chief Executive Officer
& Managing Director
(retiring 30 August 2019)*



- Mining Engineer with over 40 years' experience in the nickel, copper, gold and alumina industries
- Former COO of Independence Group responsible for the team during design, construction, commissioning and successful ramp up of the Nova Project
- Previous experience includes senior roles with Adita Birla Minerals Ltd, Lionore Australia, Great Central Mines and Western Mining Corporation
- Joined the Poseidon Board in January 2014 following a 7 year tenure with Poseidon as COO

Felicity Gooding

Non Executive Director



- Chartered Accountant with over 15 years' experience specialising in mergers, acquisitions, equity and debt financing across various sectors in the United States, Singapore and London
- Held senior positions at PWC, Diageo Plc and Fortescue Metals Group Ltd
- Currently CFO & COO of Munderoo Group
- Appointed as NED on the Poseidon Board in October 2018

Karl Paganin

Non Executive Director



- Over 20 years' experience in investment banking, specialising in transaction structuring, equity and capital markets, M&A and strategic advice to listed companies
- Currently a non-executive director of ASX listed companies Southern Cross Electrical Engineering Limited and Veris Limited
- Appointed as NED on the Poseidon Board in October 2018

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 Steve Warriner, Chief Geologist, 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 Mr 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 Mr 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 Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr Kahan Cervoj 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 Mr 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 Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr 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 Mr 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 that relates to Mineral Resources at the Windarra Nickel Project and Gold Tailings Project is based on, and fairly represents, information compiled by Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr 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 Warriner, Mr Cervoj, Mr Weeks, Mr Glacken 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 Warriner, Mr Cervoj, Mr Weeks, Mr Glacken 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.

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%	108	9.4	10,130	61	9.7	5,900	168	9.5	16,030	0.19	316	0.4	679
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		16,775	1.04	174,030	27,275	0.81	221,500	44,049	0.90	395,530	0.02	7,516	0.03	13,379

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 5 August 2019, 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.

The Company is aware that the 2019 upgrade to the Silver Swan Indicated Resource will materially affect the Silver Swan Reserve above which was based upon the 2015 Silver Swan Resource Estimate. 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.

