

## Corporate Directory

ASX Code: POS  
Shares on Issue: 2,638M  
Market Cap: ≈\$140M  
Cash & equivalents at 30 Sept 2019  
\$56.5M

## Board of Directors

**Non-Executive Chairman**  
Geoffrey Brayshaw

**Non-Executive Directors**  
Felicity Gooding  
Karl Paganin

**Interim CEO**  
David Riekie

**CFO & Joint Company Secretary**  
Brendan Shalders

**Joint Company Secretary**  
Andrea Betti

## Key Shareholders

Black Mountain Metals: 19.8%  
Squadron Resources: 17.1%

## Key Operating Nickel Assets (100%)

Black Swan/Silver Swan  
Lake Johnston  
Windarra

## Principal & Registered Office

Unit 8 Churchill Court  
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22 November 2019

## Key Appointments - Chairman and Managing Director

Poseidon Nickel Limited (**Poseidon** or the **Company**) (ASX: POS) has significantly strengthened its Board and Management team.

### Non-Executive Chairman

Mr Derek La Ferla has accepted the position of Independent Non-Executive Chairman of Poseidon. Derek is the current Chairman of Sandfire Resources Limited and a number of other ASX listed companies.

Derek will commence as Independent Non-Executive Chairman, effective 1 December 2019.

### Managing Director

Panoramic Resources founder and long-serving Managing Director, Mr Peter Harold has accepted the position of Managing Director and Chief Executive Officer of Poseidon.

Commenting on the key appointments, current Poseidon Chairman, Mr Geoff Brayshaw said:

*"We are delighted to have Derek and Peter join Poseidon. Both bring an enormous level of corporate and operational experience and are widely regarded in the Australian resources sector.*

*Derek has accumulated some 30 years of experience as a corporate lawyer and senior company director.*

*Peter has a deep knowledge of the Nickel sector, including project financing, development, production and marketing.*

*These appointments create a sound foundation to execute our Company's nickel strategy, which includes near-term production options and the development of our longer-term growth opportunities."*

Peter will join the Company effective 3 March 2020. During this intervening time, he will be in regular contact with the current executive team with respect to the current re-start study and associated strategic activities. Mr Riekie continues in the interim CEO role until the commencement of Mr Harold in March 2020. The terms of Peter's tenure and remuneration are outlined in the attached annexure.

Mr Brayshaw will continue on the Board as an independent Director.

## Background

### **Peter John Harold (Managing Director and Chief Executive Officer) B.AppSc (Chem), AFAICD**

Peter is a process engineer with over 30 years corporate experience in the minerals industry, specialising in financing, marketing, business development and general corporate activities.

He was until recently the Managing Director of Panoramic Resources, a company he co-founded as a \$3 million IPO in 2001. Peter steered Panoramic through the financing and development of the Savannah Nickel Project in the East Kimberley and the acquisition and re-start of the Lanfranchi Nickel Project near Kambalda with the company reaching a market capitalisation of \$1.2 billion in 2007. He was more recently involved in bringing the Savannah Project out of care and maintenance and back into production.

Peter has extensive experience in base metal mining project feasibility studies, financings, developments, operations and marketing.

### **Derek La Ferla (Independent Non-Executive Chairman) B.Arts, B.Juris, B.Law, Fellow of AICD**

Derek has 30 years' experience as a corporate lawyer and senior company director. He is currently Non-Executive Chairman of ASX-listed copper miner Sandfire Resources NL, survey services company Veris Limited and security business Threat Protect Australia. DRAFT

Derek is also a member of the WA Council for the Australian Institute of Company Directors and a member of its National Board.

#### **For further information contact:**

**David Riekie, Interim CEO: + 61 (0)8 6167 6600**

**Michael Weir, Citadel Magnus: +61 (0)8 6160 4903**

### SUMMARY OF CONTRACT MATERIAL TERMS

<b>Commencement</b>	Mr Harold's appointment will commence with Poseidon on 3 March 2020 ( <b>Commencement Date</b> ).
<b>Remuneration</b>	A base salary of \$500,000 per annum ( <b>Base Remuneration</b> ) plus statutory superannuation.
<b>Short-Term Incentive</b>	A short term incentive in either cash or shares (subject to shareholder approval) for up to 50% of the Base Remuneration subject to achieving key performance milestones to be determined by the Board.
<b>Sign on Incentive</b>	<p>Subject to shareholder approval, the grant of options as a sign on incentive (<b>Options</b>) to acquire shares in the Company as follows:</p> <ul style="list-style-type: none"> <li>• 3,000,000 Options each with an exercise price of 125% of the 5 Day Volume Weighted Average Price (<b>VWAP</b>) of shares immediately prior to the Commencement Date, expiring five (5) years from the Commencement Date; and</li> <li>• 3,000,000 Options each with an exercise price of 175% VWAP of shares immediately prior to Commencement Date, expiring five (5) years from the Commencement Date.</li> </ul> <p>The Options will vest on the earlier of:</p> <ul style="list-style-type: none"> <li>• 3 March 2023 (subject to continuing employment by the Company on that date);</li> <li>• the date of termination by the Company without reason; or</li> <li>• the completion of a change of control in the Company.</li> </ul>
<b>Long-Term Incentive</b>	<p>Subject to shareholder approval, up to a maximum of 80% of Base Remuneration per annum in the form of performance rights in the capital of the Company (Performance Rights). Subject to any other terms imposed by ASX, the Performance Rights are proposed to be issued:</p> <ul style="list-style-type: none"> <li>• 75% linked to a total shareholder return, and benchmarked against a selection of agreed peer ASX listed companies over a period of 3 years; and</li> <li>• 25% linked to resource and reserve growth over a period of 3 years.</li> </ul> <p>The Performance Rights will vest after a period of 3 years on terms standard for their nature and applicable regulatory requirements.</p>
<b>Termination</b>	<p>The Company may terminate Mr Harold's employment in the following manners:</p> <ul style="list-style-type: none"> <li>• without cause at any time by providing 3 months' notice (3 months of the Base Remuneration must be paid at the end of notice period);</li> <li>• without notice for cause at its sole discretion;</li> <li>• with 3 months' notice for cause.</li> </ul> <p>Mr Harold may resign from the Company at any time on 3 months' notice to the Company.</p> <p>If Mr Harold resigns due to a material adverse change to his role, Base salary or for another specified "good reason" during the 12 month period following a change of control in the Company, Mr Harold shall be entitled to a payment equal to the Base Remuneration (subject to any required shareholder approvals).</p>

## ***About Poseidon Nickel Limited***

*Poseidon Nickel Limited (ASX: POS, "Poseidon"), is a West Australian focussed nickel company that owns three previously operating Nickel Sulphide mines: Windarra, Black Swan/Silver Swan and Lake Johnston. These 100% owned assets collectively had an operating capacity of 3.6mtpa (Lake Johnston 1.5mtpa; Black Swan 2.1mta). The processing facilities at Lake Johnston and Black Swan have been maintained through company managed, care and maintenance programs.*

*Poseidon released an upgrade to the resource at the Silver Swan deposit on 5<sup>th</sup> August 2019.*

*Poseidon is currently undertaking a number of de-risking and restart safety works and similar initiatives at and around Black Swan.*

*Poseidon has continued to explore at Lake Johnston, with recent diamond drilling at the Abi Rose prospect. These exploration results were released to ASX on 22 October 2018 and 21 November 2018.*

*Windarra has a number of near mine exploration projects including the extension of the original Windarra deposit, Cerberus, South Windarra and Woodline Well.*