

BLACK SWAN EXPLORATION UPDATE

25 October 2021

Key Points

- **Silver Swan Drilling**
 - two underground rigs are testing the potential down plunge Silver Swan extensions and infilling existing Inferred Resources
 - the existing Silver Swan Resources contain a total of **16kt Ni averaging 9.5%Ni** spread over three resources - Tundra-Mute, Peking Duck and Fledgling-Canard
 - first assays received from Tundra Mute include:
 - PTMD001: **1.55m @ 12.98% Ni** from 259.6m
 - PTMD002: 0.6m @ 1.31% Ni from 273.4m
 - PTMD003: **1.95m @ 6.66% Ni** from 251.2m
- **Southern Terrace**
 - down hole EM program completed up plunge of Golden Swan
 - no significant anomalism detected
 - prospectivity remains in untested areas of the Southern Terrace
- **Gold Swan Resource**
 - finalisation of the maiden resource delayed due to unforeseen circumstances
 - now due to be released in the last week of October
- **Fill the Mill Strategy**
 - work on the Bankable Feasibility Study continues
 - Silver Swan and Golden Swan could provide high-grade feed to complement the open pit ore and tailings which will be the base feed for the 1.1Mtpa processing plant
 - Drilling about to commence on potential extensions to the open pit resource

Details

Poseidon Nickel (ASX: POS) (“Poseidon”, “the Company”) provides the following update on the exploration activities that have been occurring at Black Swan.

Managing Director and CEO, Peter Harold, commented, *“the Fill the Mill Strategy for the Black Swan restart requires good confidence in our high-grade resources at both Silver Swan and Golden Swan so the mining studies can maximise the mining inventory and generate accurate mining schedules to assist in de-risking the restart.*

The current drilling below Silver Swan is being undertaken from new drill positions which allows for better drill angles to infill the resources and test for extensions. While we have returned some high-grade hits at Tundra-Mute we have not yet intersected any high-grade extensional mineralisation outside the current resource shapes.

New DHEM platforms have been established down plunge of the Silver Swan mineralisation and these are awaiting a geophysical crew to undertake the survey. The results of the survey could provide targets for extensional drilling.

In the meantime, we have identified a good zone of mineralisation below the Black Swan open pit from previous RC drilling, undertaken in 2019, which could present an opportunity to increase the size of the pit and extend the proposed open pit mine-life. We can drill this zone from underground and will redeploy one of the underground rigs to undertake that drilling.

While the recent Southern Terrace drilling program did not intersect mineralisation or identify any significant EM anomalies, we still believe the Southern Terrace remains prospective for more high-grade nickel sulphides. We are now reviewing our exploration techniques for the Southern Terrace to determine if another method may be suitable for targeting our future drilling activities.

The Golden Swan maiden resource finalisation has taken longer than expected and is now due for release later this week.”

Silver Swan Resource Drilling Program

Three areas at the base of the Silver Swan Channel are being targeted in this current drill program utilising two underground diamond drill rigs. These deposits are known as **Peking Duck**, **Tundra-Mute** and **Fledgling-Canard** and collectively contain 16kt nickel contained averaging 9.5% Ni in Indicated and Inferred Mineral Resources (refer Figure 1). The program aims to:

- to infill the Inferred Resource at Tundra-Mute and potentially upgrade them to an Indicated Resource status; and
- test for mineralised extensions beyond the existing Resources.

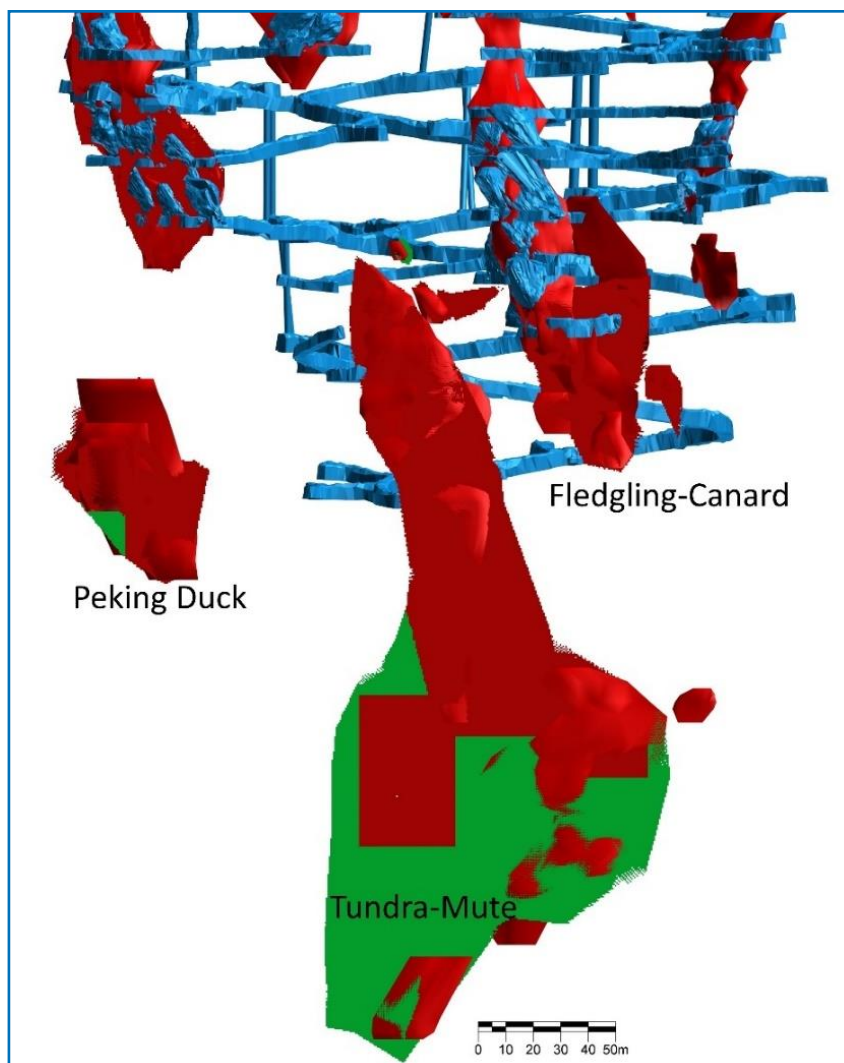


FIGURE 1: SILVER SWAN RESOURCE NAMES. INDICATED RESOURCES IN RED, INFERRERD RESOURCES IN GREEN

Tundra-Mute

The Tundra-Mute deposit comprises Inferred and Indicated Mineral Resources totalling 127kt at 9.5% Ni for 12kt Ni contained.

Eleven holes, comprising both infill and extensional holes, have been completed to date with results for the first three intersections received, and three more in the laboratory for assaying (refer Figure 2). The pierce point summary is shown as Figure 3 and the Significant Intercepts Assays in Table 1. The 2019 Mineral Resource Estimate Table for Silver Swan, as referenced in the Pierce Point diagram, is included as Table 2 at the end of this announcement.

Geological logging of the infill holes has shown the mineralisation is highly variable. Strong mineralisation was logged in holes PTMD005 and PTMD007 (refer Figure 3) with assays pending. Drilling continues and with the increased drill density the information obtained should help to determine the controls and trends of the high-grade mineralisation.

Selected holes have been cased for down hole electromagnetic surveys (DHEM). The results from the DHEM survey will help target potential extensions in the area. The DHEM survey will be conducted as soon as a geophysical crew becomes available.

TABLE 1: SILVER SWAN ASSAYS TO DATE

	From (m)	To (m)	Down Hole Interval (m)	Estimated True Width (m)	Ni%	Cu%	Co ppm
PTMD001	259.6	261.15	1.55	1.3	12.98	0.36	2814
<i>inc</i>	259.8	260.85	1.05	0.88	15.67	0.22	2886
PTMD002	273.4	274	0.6	0.5	1.31	0.05	378
PTMD003	251.15	253.1	1.95	1.64	6.66	0.21	1503
<i>inc</i>	251.45	251.9	0.45	0.38	10.60	0.16	2040
<i>and</i>	252.25	252.45	0.2	0.17	14.20	0.16	2940
<i>and</i>	259	265	6	5.03	1.22	0.07	266

Awaiting assays for the following holes:

Tundra-Mute: PTMD005, PTMD007, PTMD010

Fledgling-Canard and Peking Duck: PPCD002, PPCD003, PPCD004, PPCD005, PPCD006, PPCD008, PPCD009, PPCD012

Holes containing no mineralisation:

Tundra-Mute: PTMD004, PTMD006, PTMD008, PTMD009, PTMD011

Fledgling-Canard and Peking Duck: PPCD001, PPCD007, PPCD010, PPCD011

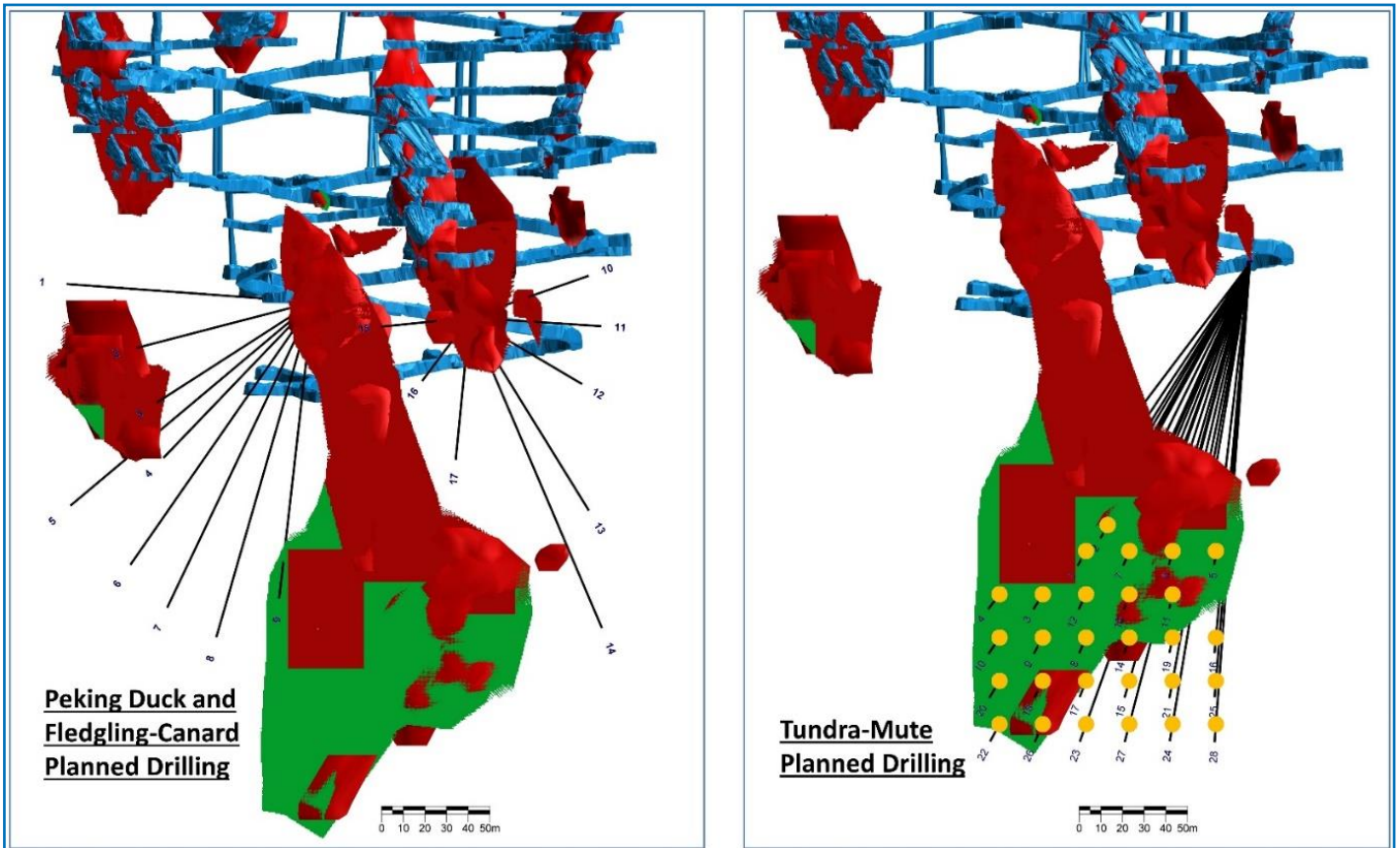


FIGURE 2: SILVER SWAN PLANNED DRILLING. VIEW IS TO THE WEST.

Peking Duck and Fledgling-Canard

The planned Peking Duck drilling was primarily targeting EM plates as potential resource extensions.

Nine holes were drilled (refer Figure 3) and the targeted plates were successfully tested. Observed results in the drill core showed no economic extension of the resource, but minor remobilisation of sulphides within a fractured footwall felsic unit. Current modelling suggests that Peking Duck has been truncated by the Feral Fault (refer Figure 4).

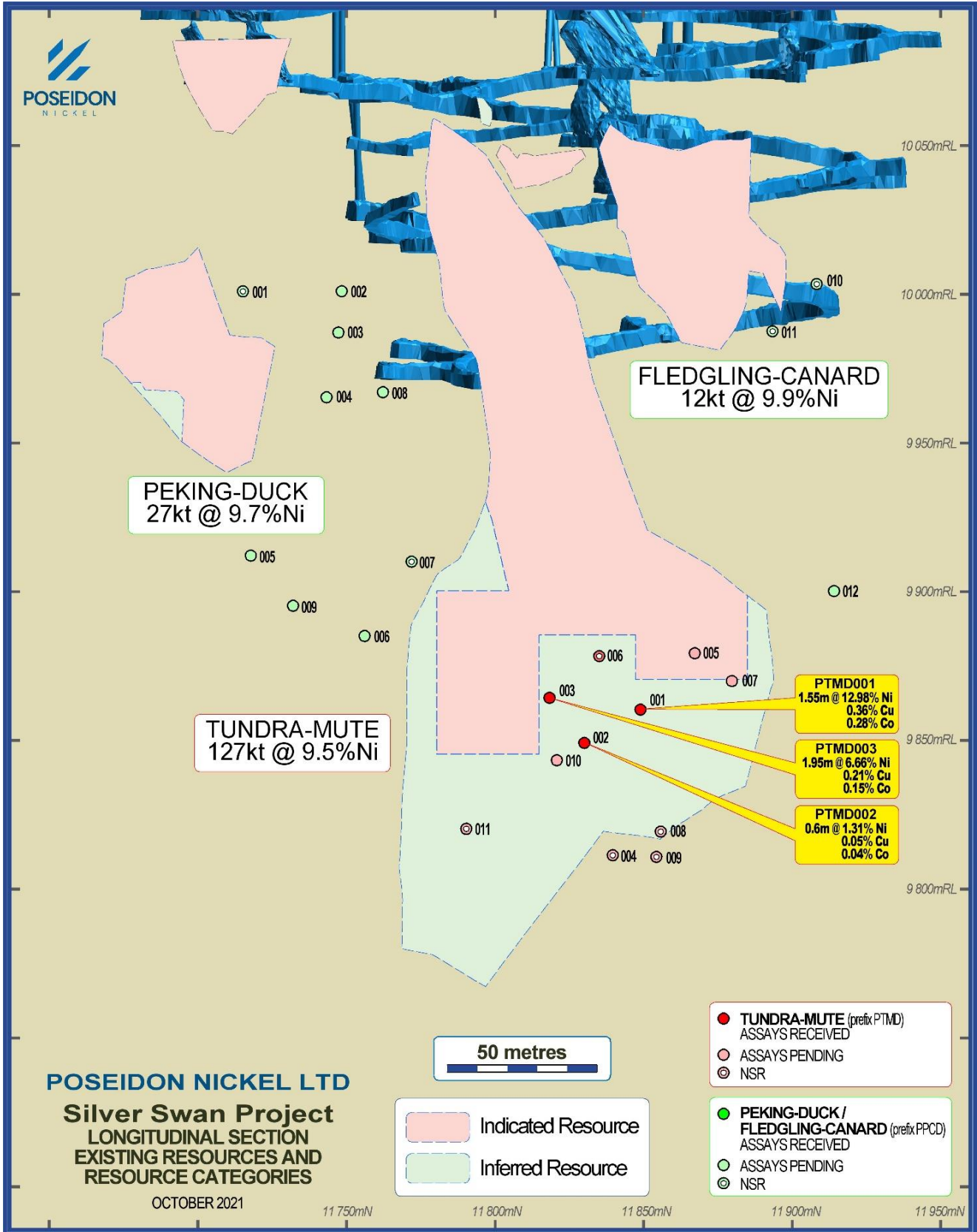


FIGURE 3: SILVER SWAN CHANNEL CURRENT DRILLING PIERCE POINTS

To date three holes have been drilled at Fledgling-Canard to test for down plunge extensions (Figure 4). No significant mineralisation has been observed in the core, and the holes have been PVC cased so DHEM can be conducted.

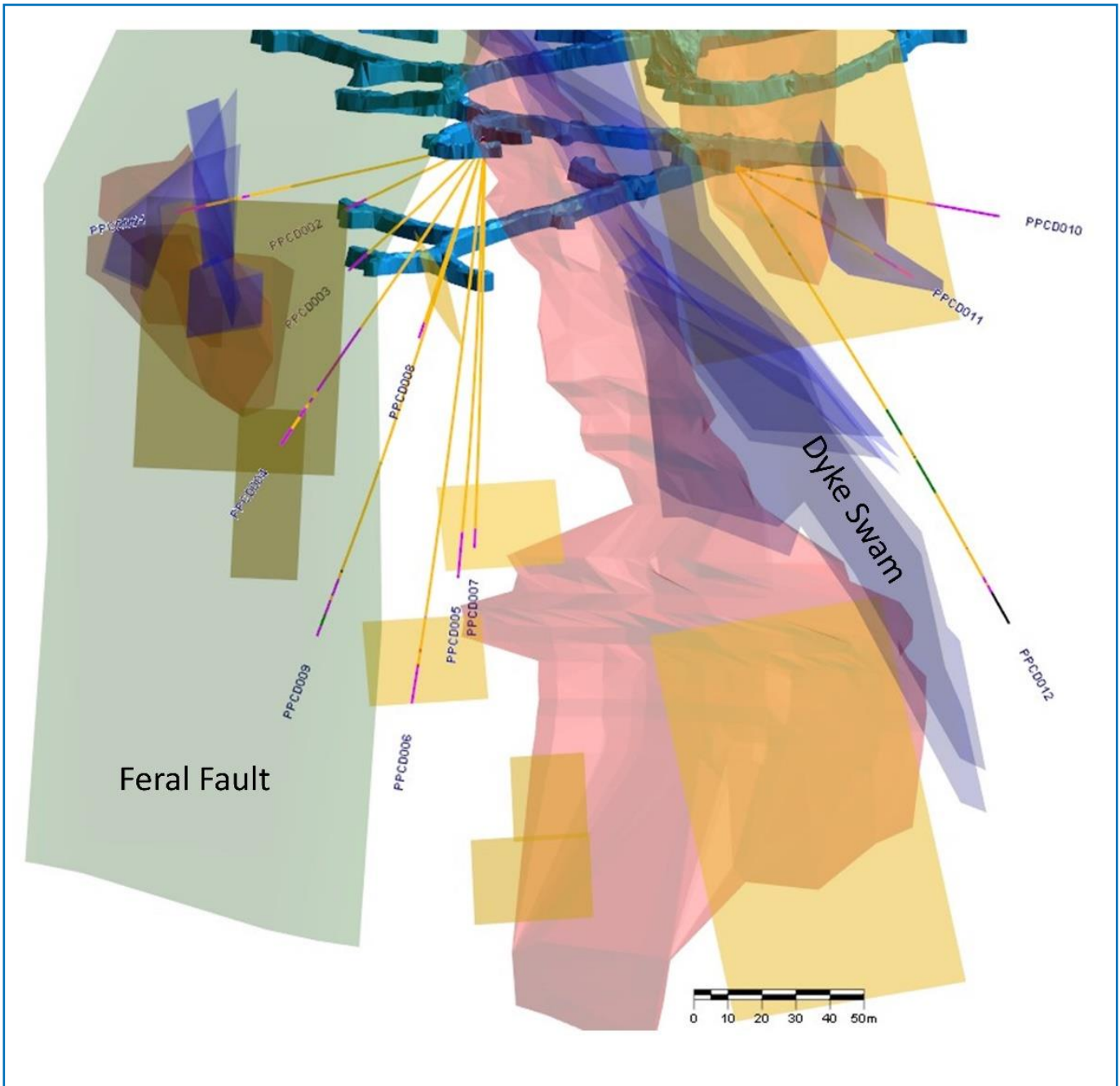


FIGURE 4: VIEW TO WEST OF CURRENT PEKING DUCK AND FLEDGLING-CANARD DRILLING
VIEW SHOWS HOW FERAL FAULT AND A DYKE SWARM BOTH INFLUENCED THE PROGRAMS

Southern Terrace Exploration

The drilling and DHEM survey of the four holes drilled up-plunge from Golden Swan has been completed. Drilling successfully tested the tenuous plates modelled from previous DHEM surveys but no visible mineralisation was observed. The holes were PVC cased upon completion of drilling. The subsequent survey found two holes blocked at a distance from the footwall contact that made them of limited use for DHEM. Figure 5 provides an illustration of the location of the four holes, with the extent of the DHEM surveys shown in red.

Analysis and forward modelling of the data was carried out by Newexco. Results showed that no significant anomalous response was detected in any hole. Forward modelling of the blocked holes showed that if there was a footwall response of the magnitude seen in Golden Swan (15,000 Siemens), it would have been detected in these holes.

The Company still believes that the Southern Terrace has the potential to host more massive sulphide mineralisation. Drilling activity has paused while latest drill information is being reviewed and the merits of other acquiring further generative datasets (geochemical and geophysical) are being considered to aid future drilling programs.

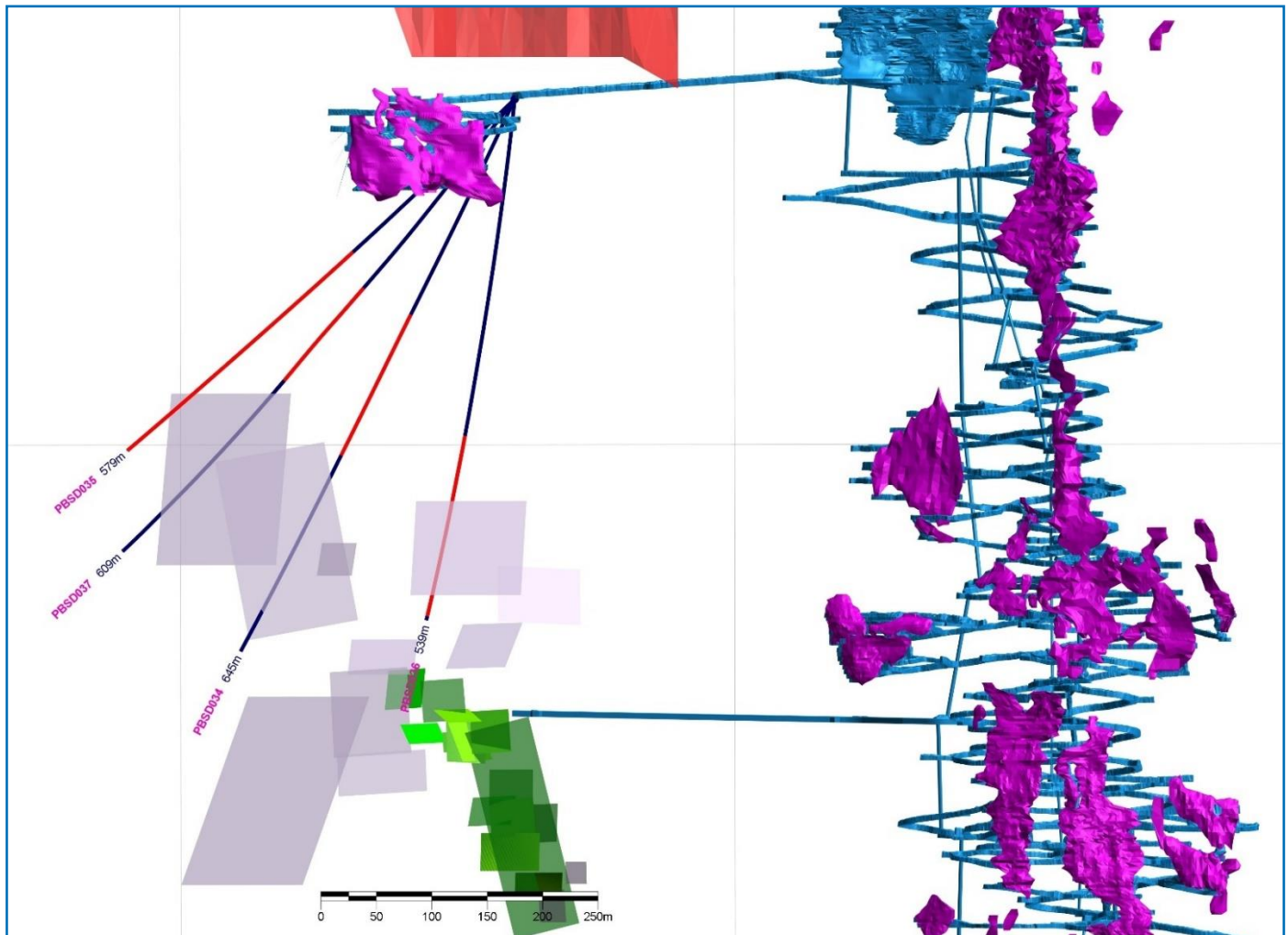


FIGURE 5: VIEW TO WEST OF DRILLING UPPLUNGE FROM GOLDEN SWAN. HOLE LENGTH SURVEYED BY DHEM IS SHOWN IN RED.

Golden Swan Resource

The Golden Swan maiden resource determination has been delayed due to a combination of factors outside the Company's control. The resource consultants have advised the report will be delivered shortly which should facilitate public release in the last week of October.

Fill the Mill

The Bankable Feasibility Study on the 1.1Mtpa processing plant is well underway. The base feed for the study is a combination of Black Swan open pit ore and Silver Swan Tailings. The base feed will be complemented with high-grade ore from both Golden Swan and Silver Swan, subject to a reserve being confirmed for Golden Swan.

In order to further re-risk the Fill the Mill strategy it is important to understand the distribution of the more metallurgically favourable mineralised serpentinite ore below the existing Black Swan open pit. The current Serpentinite Model was developed by a previous owner of Black Swan over 10 years ago, on limited information, and is not well constrained, as shown by the RC drilling program undertaken in 2019 (refer Figure 6).

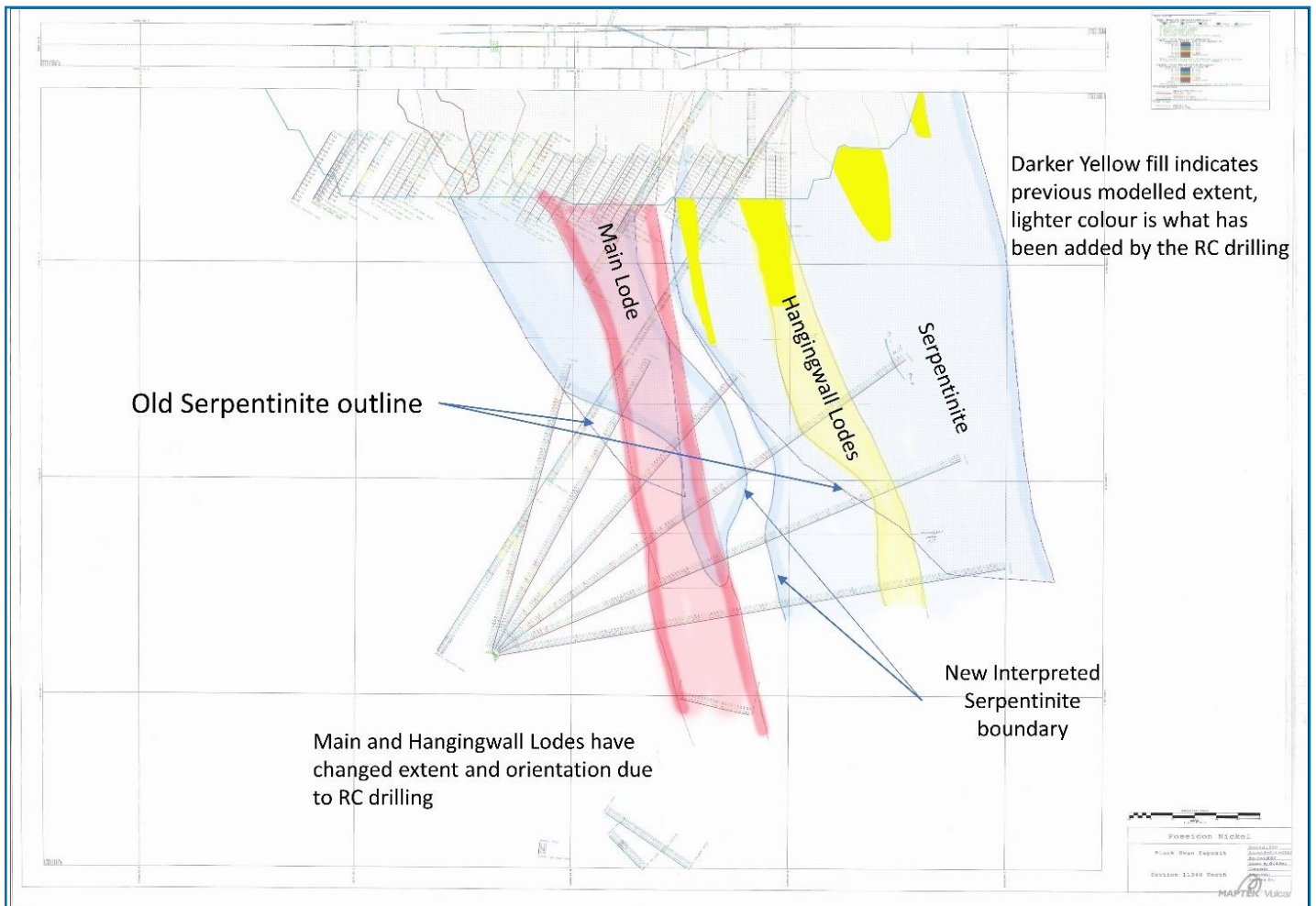


FIGURE 6: 11340N SECTION HIGHLIGHTS CHANGES TO SERPENTINITE AND MINERALISATION EXTENTS FROM THE 2019 RC PROGRAM

Most of the Black Swan disseminated resource beneath the pit is in the Inferred Resource category. While these resources can be used in preliminary pit optimisation designs, they cannot be converted to an Ore Reserve. Therefore, to de-risk the project a better understanding of the distribution of the various serpentinite lodes is important, especially in the area where current pit optimisations are driving the pit deeper into areas of Inferred Resource.

One of the underground rigs is being redeployed into the Gosling Drill Drive to drill six holes to test the down plunge and north-south striking continuity of the Black Swan serpentinite mineralisation below the current pit model. The improved understanding already generated from the RC drilling is shown in Figure 6.



Peter Harold
Managing Director & CEO
 25 October 2021

This announcement was authorised for lodgement by the Board of Poseidon Nickel Limited.

COMPETENT PERSON STATEMENTS:

The information in this report that relates to Exploration Targeting and Results is based on, and fairly represents, information compiled and reviewed by Mr Andrew Pearce, who is an employee of Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists.

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 was 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.

Mr Pearce, Mr Warriner and Mr Cervoj 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 Pearce, Mr Warriner and Mr Cervoj consents 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.

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 Golden Swan underground mine.

About Poseidon Nickel Limited

Poseidon Nickel Limited (ASX Code: POS) is a nickel sulphide exploration and development company with three projects located within a radius of 300km from Kalgoorlie in the Goldfields region of Western Australia and a resource base of around 400,000 tonnes of nickel and 180,000 ounces of gold.

Poseidon's strategy is focused on the exploration and eventual restart of its established nickel operations in Western Australia where project risk capital and operating costs are low. A critical element of this strategy has been to acquire projects and operations with high levels of geological prospectivity likely to lead to resource increases through the application of modern exploration techniques.

Poseidon owns the Windarra, Black Swan and the Lake Johnston Nickel Projects. In addition to the mines and infrastructure including concentrators at Black Swan and Lake Johnston, these projects have significant exploration opportunities demonstrated by the discovery of the Abi Rose deposit at Lake Johnston and the recent discovery of the Golden Swan mineralisation at Black Swan. The Company has recently completed Definitive Feasibility Study on retreating the gold tailings at Windarra and Lancefield given the strength of the A\$ gold price.

Mineral Resource Statement

TABLE 2: SILVER SWAN MINERAL RESOURCE ESTIMATE

Area	Silver Swan Resource - August 2019											
	Indicated				Inferred				Total			
	kt	Ni %	As ppm	Ni metal (t)	kt	Ni %	As ppm	Ni metal (t)	kt	Ni %	As ppm	Ni metal (t)
Tundra-Mute	68	9.2	3,200	6,260	59	9.8	3,290	5,800	127	9.5	3,240	12,060
Peking Duck	26	9.7	2,520	2,560	1.2	8.8	4,330	100	27	9.7	2,590	2,660
Fledgling-Canard	12	9.9	2,100	1,160	0				12	9.9	2,100	1,160
Goose	1.7	9	3,180	150	0				1.7	9	3,180	150
Total resource	108	9.4	2,910	10,130	61	9.7	3,310	5,900	168	9.5	3,060	16,030

Silver Swan Resource as at 5 August 2019 (see ASX announcement "Silver Swan Resource Upgrade" released 5th August 2019)

The Company is not aware of any new information or data that materially affects the information in the relevant market announcements. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Appendix 1

TABLE 3: DRILL HOLE SUMMARY

CollarID	EAST	NORTH	RL	Dip	Azimuth (True)	TD (m)
Tundra-Mute						
PTMD001	10424.96	11895.72	9992.93	-32.8	62.7	297.2
PTMD002	10424.96	11895.72	9992.93	-33.9	67.7	299.7
PTMD003	10424.96	11895.72	9992.93	-32.9	72.8	268.4
PTMD004	10424.96	11895.72	9992.93	-35.4	62.4	323
PTMD005	10424.96	11895.72	9992.93	-29.3	58.0	258.4
PTMD006	10424.96	11895.72	9992.93	-30.6	68.3	259.2
PTMD007	10424.96	11895.72	9992.93	-31.2	55.1	264
PTMD008	10424.96	11895.72	9992.93	-36.6	57.8	304
PTMD009	10424.96	11895.72	9992.93	-37.7	58.9	314.4
PTMD010	10424.96	11895.72	9992.93	-35.5	69.0	290.6
PTMD011	10424.96	11895.72	9992.93	-36.5	74.5	306.2
PTMD012	10424.96	11895.72	9992.93	-34.3	71.9	45
Peking Duck and Fledgling Canard						
PPCD001	10517.47	11791.8	10013.57	-8.7	127.6	105
PPCD002	10517.47	11791.8	10013.57	-13.4	110.9	61.8
PPCD003	10517.47	11791.8	10013.57	-25.4	102.5	74.6
PPCD004	10517.47	11791.8	10013.57	-42.6	100.5	131.9
PPCD005	10517.47	11791.8	10013.57	-47.7	104.7	157.3
PPCD006	10517.47	11791.8	10013.57	-56.1	75.6	186.6
PPCD007	10517.47	11791.8	10013.57	-53.2	67.9	137
PPCD008	10517.47	11791.8	10013.57	-38.3	85.1	80.7
PPCD009	10517.47	11791.8	10013.57	-50.7	92.2	173.1
PPCD010	10531	11864	10007	-2.7	19.5	105.8
PPCD011	10531	11864	10007	-15.8	27.0	86
PPCD012	10531	11864	10007	-38.5	31.0	186.4

Appendix 2

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> NQ2 core was sampled at least 10m either side of logged mineralisation by cutting the core in half using a Corewise core saw. Samples were divided into logged domains, with no individual sample being greater than 1.2m or less than 0.3m. Appropriate QAQC standards and blanks from Geostats were inserted, and duplicates taken in quarter core at selected intervals where mineralisation variability warranted it.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Drilling was conducted by Webdrill using the Diamec Smart 6 Mobile Carrier rig. The hole was drilled in NQ2 and the core was orientated using the Trucore Orientation Tool. The hole was surveyed using the DHS DeviGyro OX tool.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Core was recovered via 3m core tube used behind drill bit, and then transferred from tube to core trays. Recovery was calculated on the amount recovered versus the amount drilled. Depths and recovery were recorded on wooden blocks placed in the core trays by the driller at the end of every run. Lost core was also recorded in this way. Core recovery was good, even through frequent broken ground.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Core was logged into Geobank Mobile. Logging was done for Geology, structure, RQD and a check against drilling records for recovery. Holes were validated before being exported to the Geobank database. After logging, all core was photographed in both dry and wet images. The photographs were stored on site.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Core was sampled as half core, unless duplicates were taken which required samples to be quarter core.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Samples have been dispatched to SGS lab in Perth • After crushing and pulverizing they are analysed by 4-acid Ore grade digest with ICP-OES finish
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Sampling was conducted by the logging geologists who are employees of Newexco • Data is collected using Geobank Mobile which utilizes a validation function before data can be exported into the Geobank database
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • All collar surveys were completed to an accuracy of ± 10mm. A local grid based on known MGA references was created. The Department of Land Information (formerly the Department of Land Administration) benchmark UO51 on the Yarri Road opposite 14 Mile Dam was used to tie the survey control stations to the Australian Height Datum (AHD). A height datum of AHD + 1000m was adopted for the Black Swan project. • All holes are surveyed using the DHS Devishot tool. Shots were taken every 2 or 3m on in and out runs across the entire length of the hole at every survey interval. The tool is True North seeking and has an accuracy of ± 1 degree of dip and azimuth. In tool analysis gave an indication of whether the survey passed or failed and successive surveys were overlaid in DeviCloud to visually check deviation

Criteria	JORC Code explanation	Commentary
		between surveys with an average survey used as the base for modelling.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • The holes drilled form part of a program that is intended to bring the mineral occurrence to Inferred status. The nominal spacing is 20x40m, with infill drilling to be conducted as required to comply with resource modelling requirements
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Drill core is oriented using the Trucore Ori.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • NA
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits or reviews were completed during drilling

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Black Swan open-pit is centred on M27/39 and extends into M27/200. Silver Swan is wholly located on M27/200. They are located 42.5km NE of Kalgoorlie. They are registered to Poseidon Nickel Atlantis Operations Pty Ltd, a wholly owned subsidiary of Poseidon Nickel Ltd, following the purchase of the assets. Historical royalties of 3% NSR exist over the minerals produced.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Silver Swan Mine was discovered by MPI Mines Ltd, then was acquired by Lion Ore in 2004. Much of the exploration drilling and development was completed by these 2 companies. In turn Lion Ore was taken over by Norilsk in 2007 and continued mining and developing the underground mine at Silver Swan. Poseidon Nickel purchased the operation from Norilsk in late 2014.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Silver Swan deposit is a Kambalda style komatiite hosted nickel deposit.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> The current drill hole information is listed as Table Two in Appendix One of this document.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	<ul style="list-style-type: none"> When reporting Silver Swan assay results, a cut off grade of 0.5% Ni has been used.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Mineralised widths are reported as down hole lengths. Due to the uneven nature of the Felsic footwall, true width of the reported assays cannot be stated with certainty at this time.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> No significant new discovery reported. All current drilling is shown on the Long Section (Figures 3,4 and 5) with significant intercepts highlighted on the diagram and included as Table 1. Collar location and drill dip and azimuth are included as Table 3.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Mineralised intervals >1.0% from each assay received that are consistent with Silver Swan mineralisation for this announcement are shown in Table 1. Intervals below this threshold as well as unsampled intervals are listed below the table.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> No further observations to be reported at this stage.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Resource drilling on the Silver Swan deposit was commenced in FY 2021-22, and as part of that program further diamond drilling will be done in the area in order to extend the known mineralisation.