

ENTITLEMENT OFFER TO ACCELERATE EXPLORATION ACTIVITIES

One for three non-renounceable rights issue plus one free-attaching option for every three new shares issued to raise up to \$3.7 million

- Pro rata non-renounceable rights issue of one (1) new share (“**New Share**”) for every three (3) shares held by eligible shareholders at an issue price of \$0.003 per share, plus one (1) free-attaching option to acquire a share for every three (3) New Shares applied for, to raise up to \$3.7 million (“**Entitlement Offer**”)
- Each of Poseidon’s Directors intend to participate in the Entitlement Offer
- Following completion of the Entitlement Offer, the Company intends to apply funds towards:
 - Undertaking soil sampling programs focusing on the promising gold targets at Windarra, Lake Johnston and Black Swan. It is intended that programs will also cover areas that are prospective for nickel and lithium at Windarra and Lake Johnston respectively; and
 - Shallow aircore or reverse circulation drilling programs based on further definition of gold, lithium and nickel targets following soil sampling programs

Poseidon Nickel Limited (ASX: POS) (“the Company”) is pleased to announce it is undertaking a pro rata non-renounceable rights issue to raise up to \$3.7 million.

CEO, Brendan Shalders, commented: *“The funds received from the Entitlement Offer will allow the Company to complete soil sampling programs focussing on numerous high prospective gold exploration targets at Windarra, Lake Johnston and Black Swan. Coincidentally these programs will also test for lithium at Lake Johnston and nickel at Windarra, presenting a more efficient use of funds.*

Funds will also be applied to maintaining our assets which continue to receive inbound interest from parties interested in utilising our processing capabilities. Our processing facilities present near term development options for Poseidon, as well as companies that have mineral resources without established processing infrastructure who are proximal to us.

We thank our shareholders for their ongoing support and look forward to potentially unlocking the multi-commodity opportunities across our projects”.

Entitlement Offer

The Company will offer those eligible Australian and New Zealand shareholders (“**Eligible Shareholders**”) the opportunity to acquire New Shares via a pro rata non-renounceable entitlement offer of one (1) New Share for every three (3) shares held as at Tuesday, 6 August 2024 (“**Record Date**”). The offer price for each New Share under the Entitlement Offer will be \$0.003 to raise up to \$3.7 million.

The Entitlement Offer will also include one (1) free attaching New Option for every three (3) New Shares subscribed for and issued (“**New Options**”). The New Options will have an exercise price of \$0.006 per New Options and will have an expiry date of two (2) years from the date of issue.

The Entitlement Offer will not be underwritten.

A prospectus setting out details of the Entitlement Offer (“**Prospectus**”) has been lodged with ASIC (pre-market open) today, Thursday, 1 August 2024 and is expected to be dispatched to Eligible Shareholders on Friday, 9 August 2024. A copy of the Prospectus is available on the Company’s website and ASX platform.

The Entitlement Offer includes a shortfall facility under which Eligible Shareholders that have taken up their full entitlement under the Entitlement Offer can apply to take up additional New Shares in excess of their pro rata entitlement (“**Shortfall Offer**”). The Shortfall Offer may also be offered to third parties introduced by the Company. The Shortfall Offer is a separate offer made pursuant to the Prospectus and will remain open for up to three (3) months following the Closing Date (as outlined in the Indicative Timetable below), at the discretion of the Directors. The New Shares issued under the Shortfall Offer will have the same terms as those issued under the Entitlement Offer.

All New Shares issued will rank equally with existing fully paid ordinary shares on issue and the Company will apply for quotation of the New Shares issued pursuant to the Entitlement Offer. The Company will not apply for quotation of the New Options issued pursuant to the Entitlement Offer.

Eligible Shareholders should consider the Prospectus when deciding whether to acquire securities under the Entitlement Offer and will need to follow the instructions on the Entitlement Offer application form that will accompany the Prospectus.

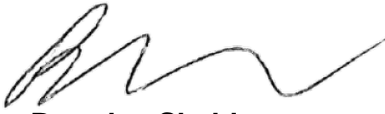
Entitlement Offer application forms and payments for New Shares will need to be received by the Company’s share registry by no later than 5:00pm (WST) on Tuesday, 20 August 2024.

Indicative Timetable*

Lodgement of Prospectus with the ASIC	Thursday, 1 August 2024 (Pre-market open)
Lodgement of Prospectus and Appendix 3B with ASX	Thursday, 1 August 2024 (Pre-market open)
Ex date	Monday, 5 August 2024
Record Date for determining Entitlements	Tuesday, 6 August 2024
Entitlement Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Friday, 9 August 2024
Last day to extend the Closing Date	Thursday, 15 August 2024
Closing Date as at 5:00pm (WST)*	Tuesday, 20 August 2024
Shares quoted on a deferred settlement basis	Wednesday, 21 August 2024
ASX notified of under subscriptions	Tuesday, 27 August 2024
Last day for announcement of results of Offer to ASX, issue date of Securities and lodgement of Appendix 2A	Tuesday, 27 August 2024
Quotation of Shares issued under the Entitlement Offer	Wednesday, 28 August 2024

* The above timetable is indicative only. The Company may vary any of the above dates without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. Any change in the timetable does not affect the rights or obligations an investor or securityholder has as a result of accepting and allocation in the Entitlement Offer.

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



Brendan Shalders

CEO

1 August 2024

For further information contact Brendan Shalders:

T: + 61 (0)8 6167 6600

E: admin@poseidon-nickel.com.au

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 over 420,000 tonnes of nickel and 180,000 ounces of gold¹.

Poseidon's strategy is focused on targeted exploration and business development to grow reserves and resources for the eventual restart of its established processing operations in Western Australia with the aim of being a profitable and sustainable producer.

Poseidon owns the Black Swan, Windarra Nickel and Lake Johnston Projects. The mines and infrastructure across all projects, including concentrators at Black Swan and Lake Johnston, present near term development options for Poseidon and peer companies that have mineral resources without established processing infrastructure.

In addition to processing capabilities, the Company has significant nickel exploration opportunities demonstrated by the discovery of the Golden Swan Resource at Black Swan, Maggie Hays West prospect at Lake Johnston and more recently the NW05 and NW04 targets at Windarra. Assessment of other commodities across Poseidon's project portfolio has noted strong lithium prospectivity at Lake Johnston and gold anomalies at all three projects.

The Company completed a Bankable Feasibility Study on Black Swan in November 2022 which is planned to be the first project to restart, subject to appropriate project financing structures being achieved, the outlook for the nickel price improving and all necessary approvals being obtained.

A Definitive Feasibility Study on retreating the gold tailings at Windarra and Lancefield was completed in mid-2022. In December 2023 Mt Morgans entered into a trial processing agreement with Poseidon on the Lancefield gold tailings and accessing the water in the South Windarra pit.

¹ Refer to the Company website, www.poseidon-nickel.com.au, for Resource and Reserves tables