



Australia's 'New' Nickel

**Annual General Meeting
28 November 2013**

David Singleton, MD & CEO

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Poseidon's Windarra Project is ready to implement

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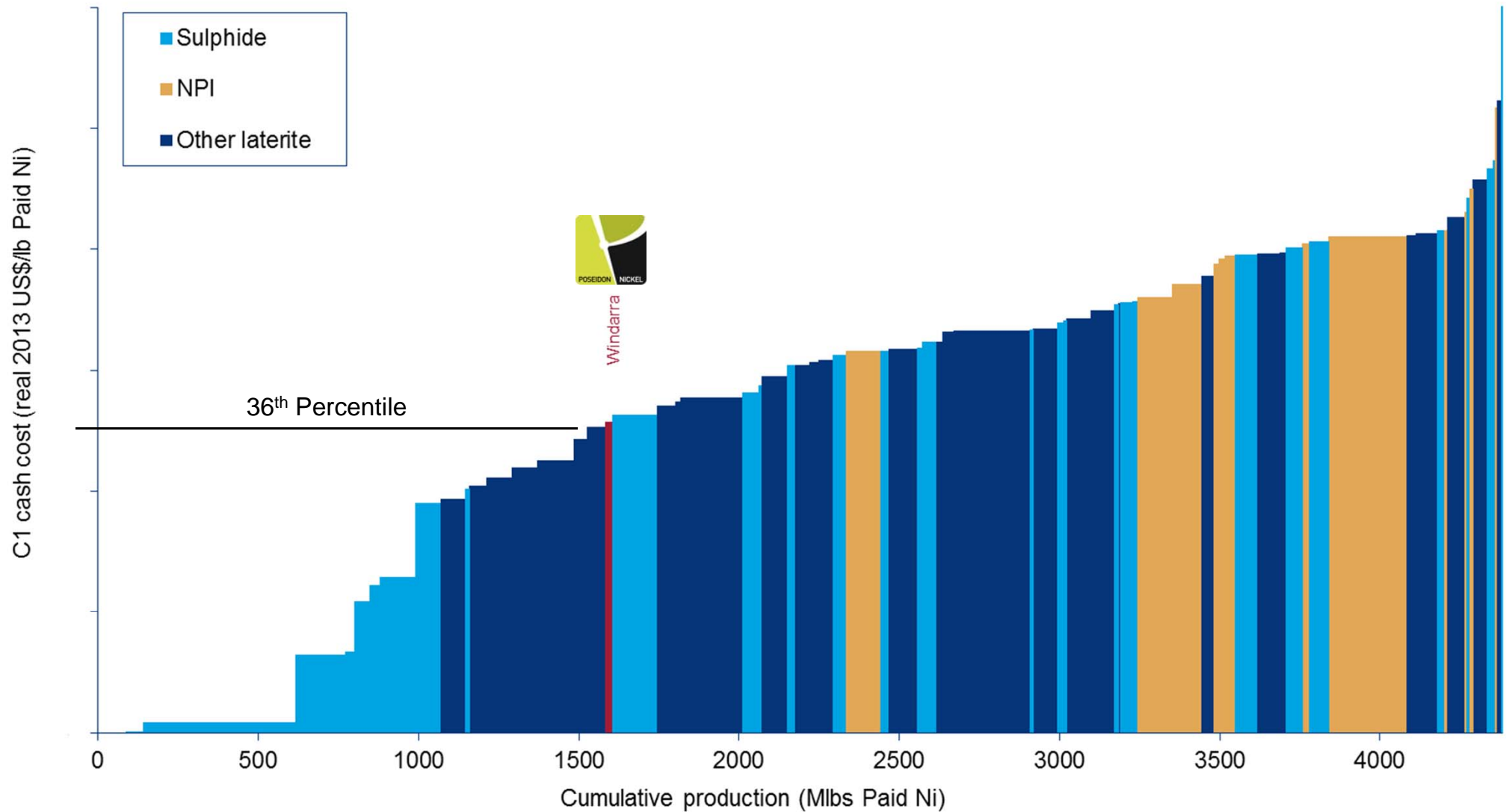
Low Operating Cost

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Low Cost

- Low mining cost drives low C1 cash cost of US\$3.35/lb.



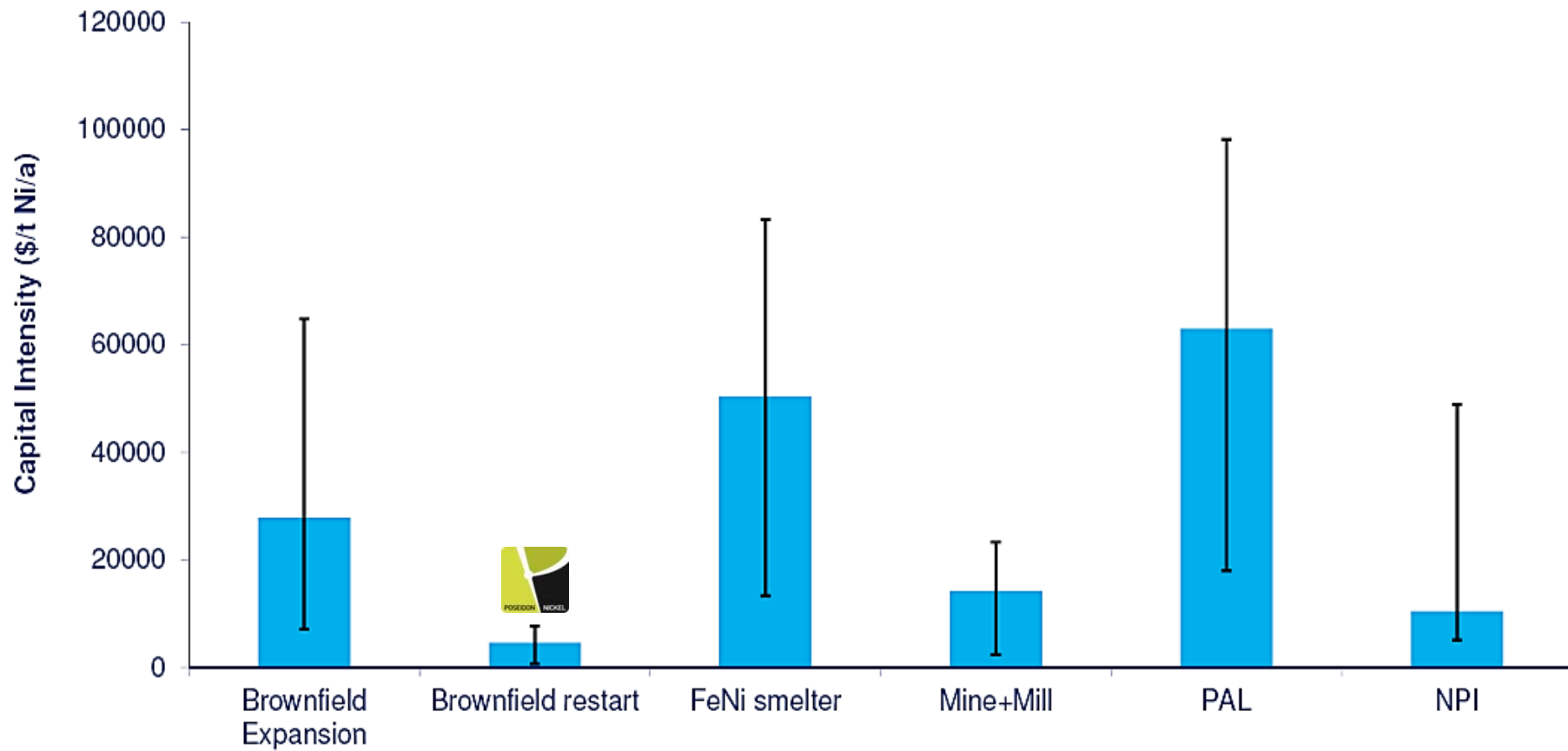
Source: Wood Mackenzie May 2013

Low Capital Intensity



Low Capital Intensity

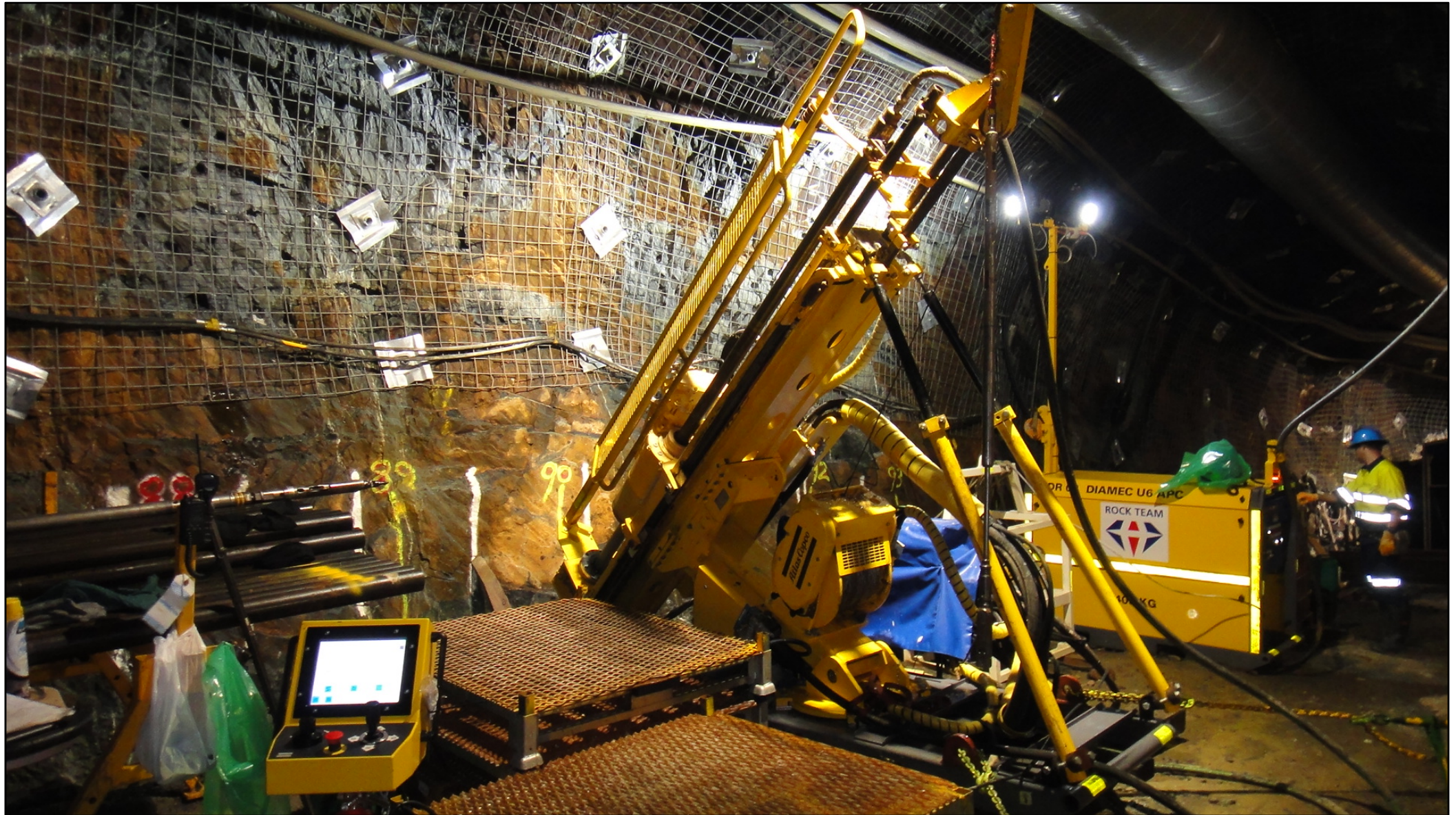
Capital Intensity



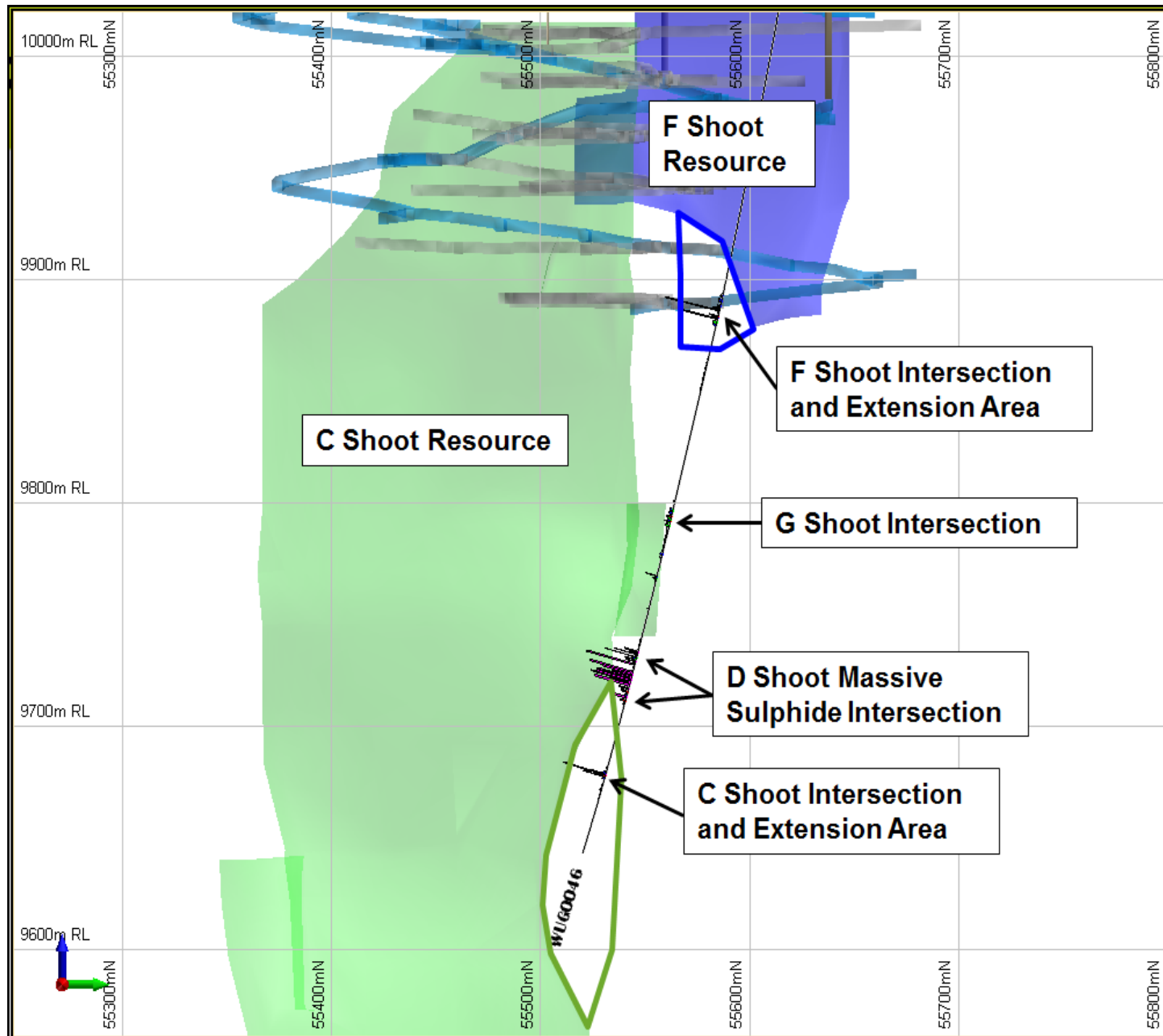
Source: Wood Mackenzie

Recent Drilling Programme Indicates Continuing Life Extension

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Thick, high grade intercept - 28.5m @ 3.52% Ni (WUG0046)

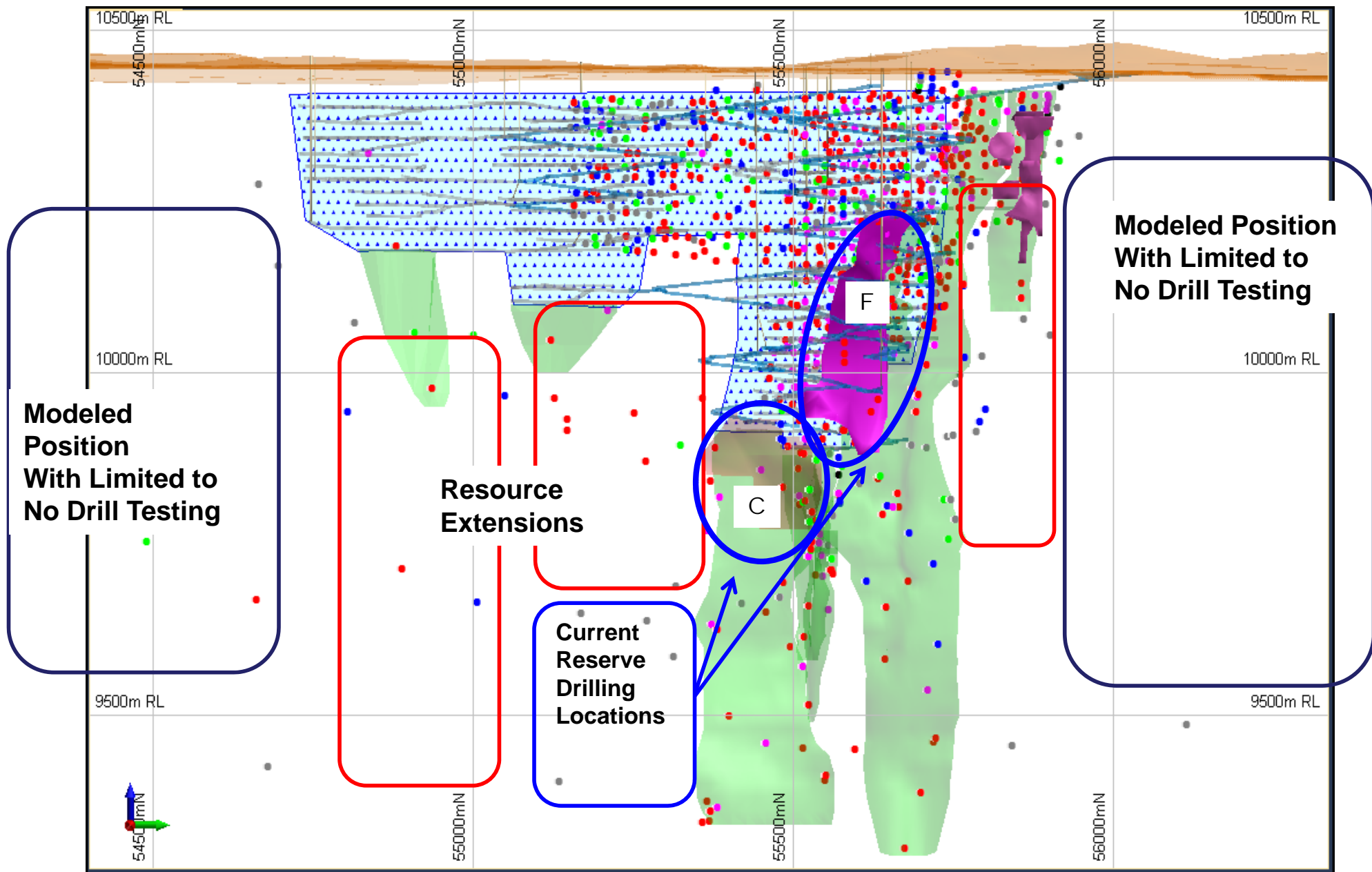


Significant Project Blue Sky Identified

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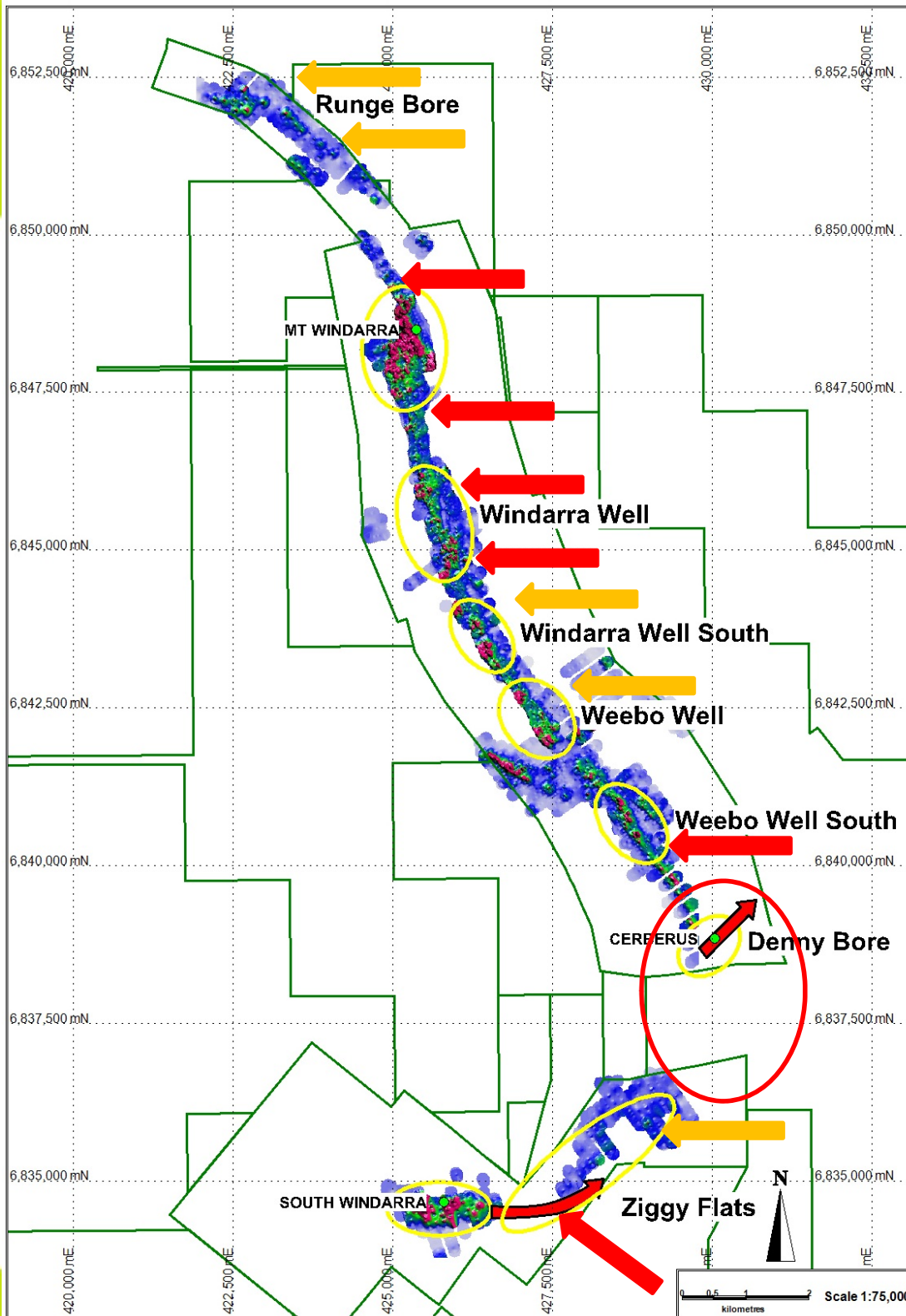


Exploration Upside and Near Mine Targets



Regional Exploration Suggests Windarra is hosted in a nickel province

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Priority 1 Targets

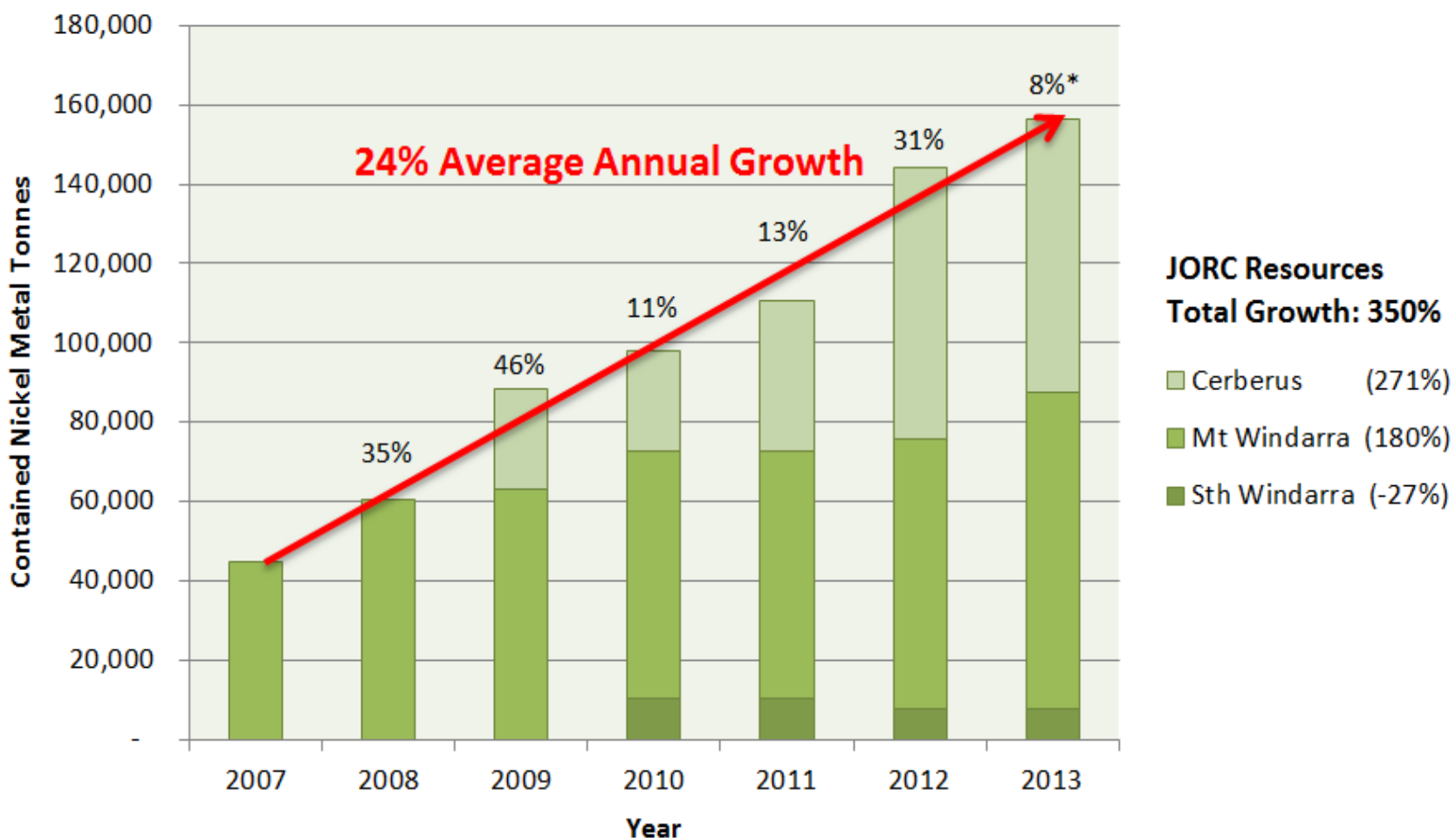
- N & S of Mt Windarra
- Windarra Well
- Weebo Well South
- Denny Bore/Cerberus Area
- Ziggy Flats/Sth Windarra Extension

Priority 2 Targets

- Windarra Well South
- Weebo Well Denny Bore/Cerberus Area
- Area north of Ziggy Flats
- Runge Bore

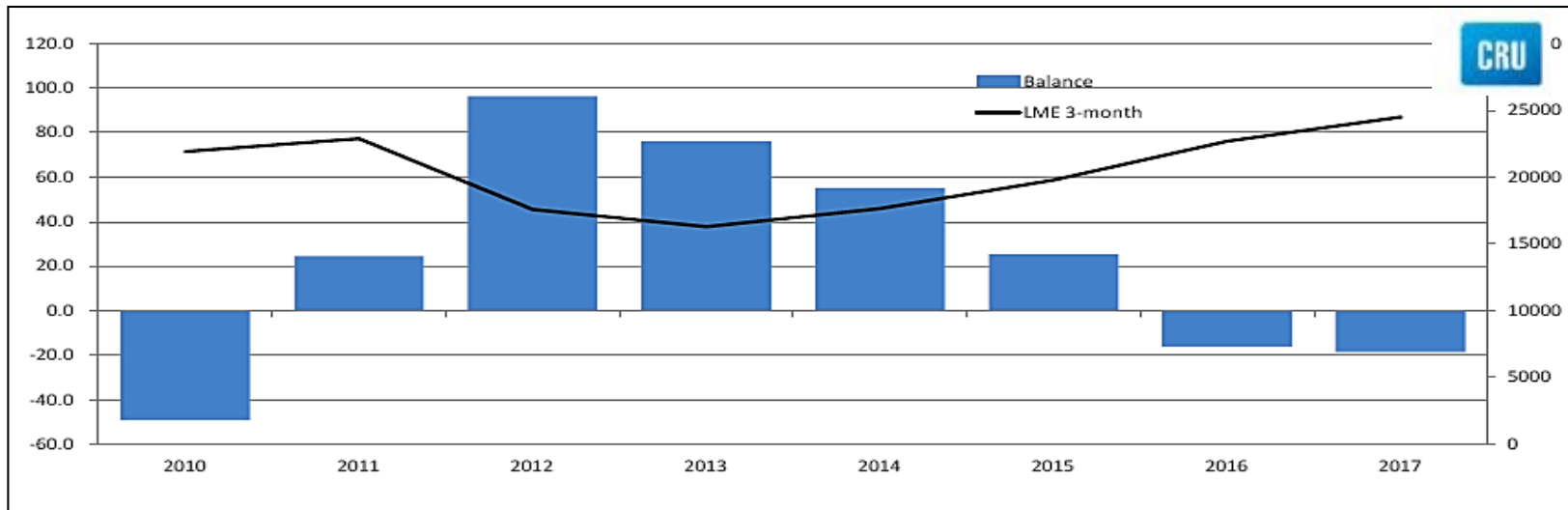
Strong Resource Growth will continue

Windarra Nickel Project Annual Resource Growth History

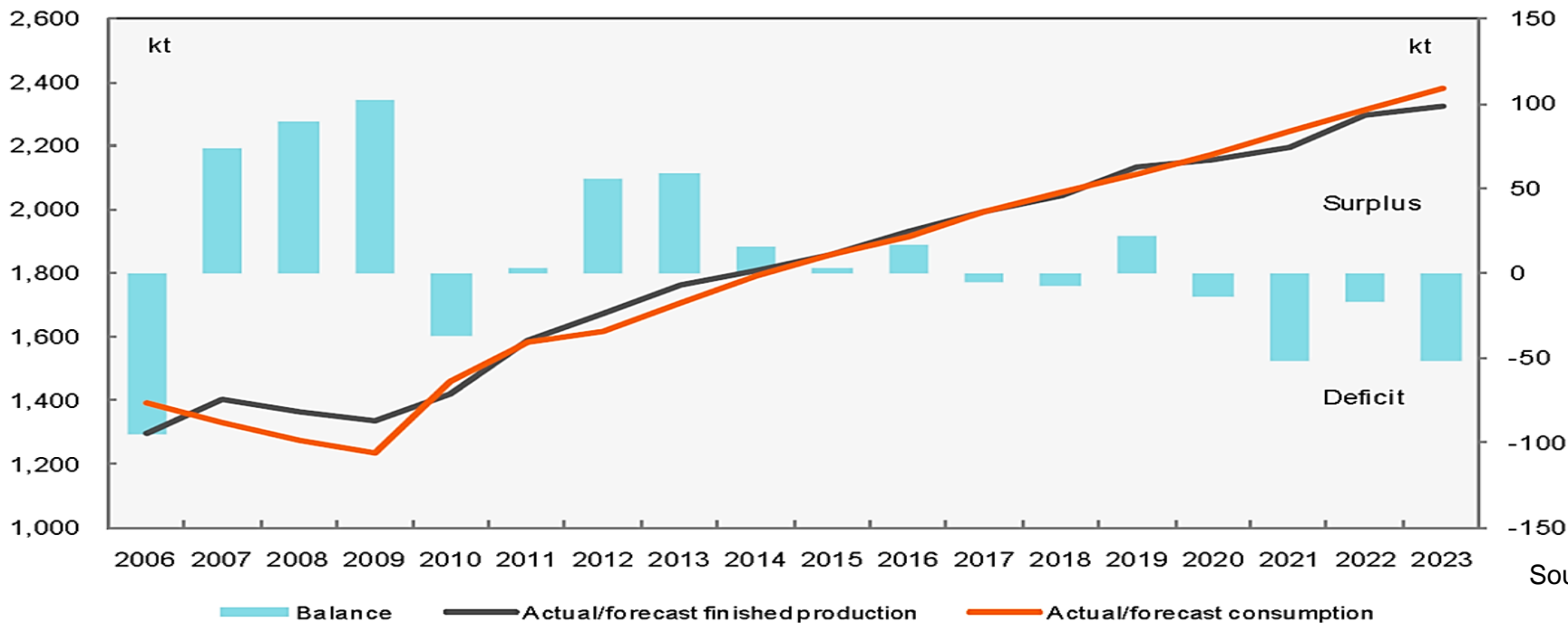


* 2013 contains only 5 months of drilling data

Forecast long term nickel supply shortages



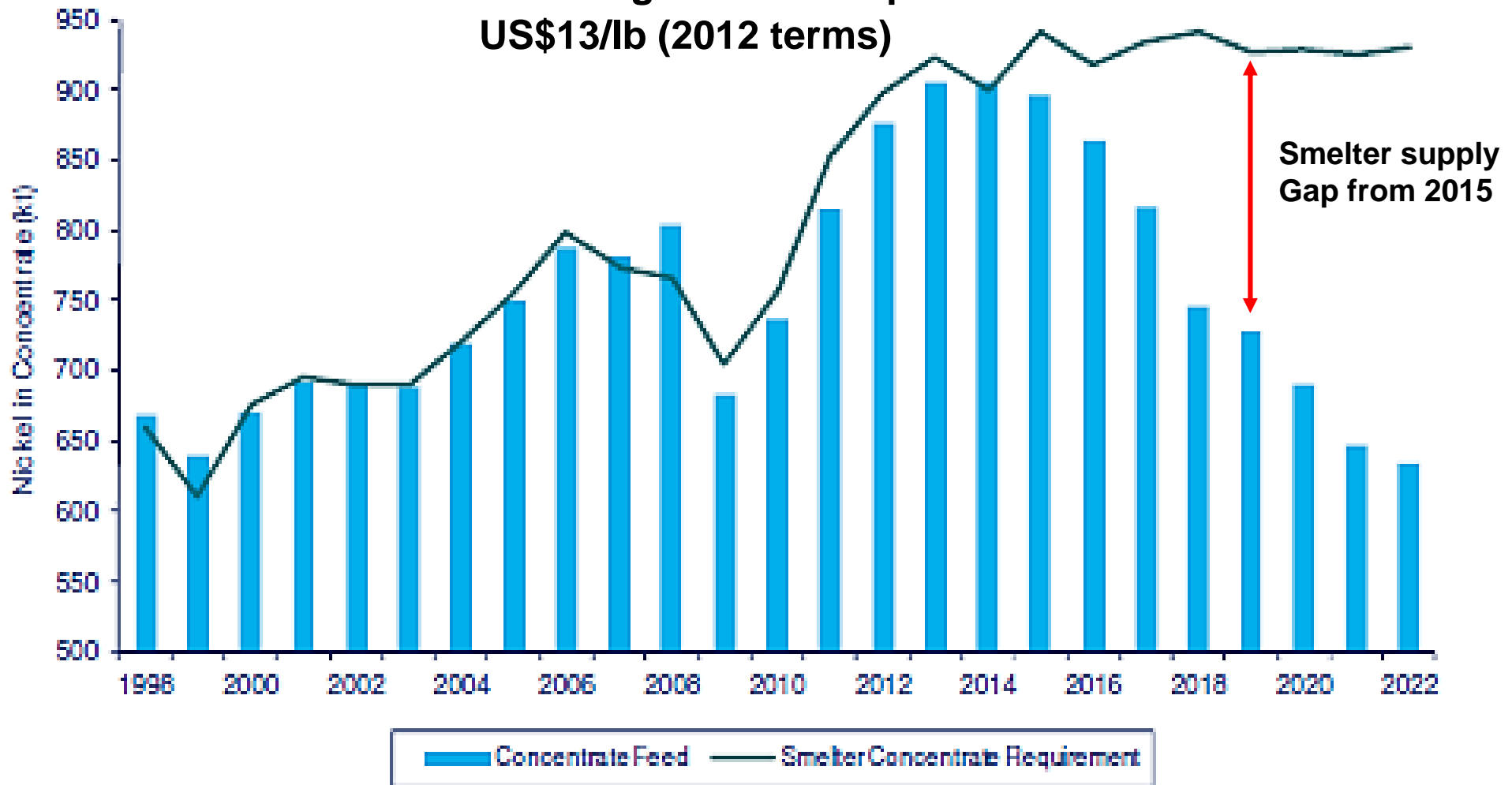
Source: CRU May 2013



Source: AME Q4 2012

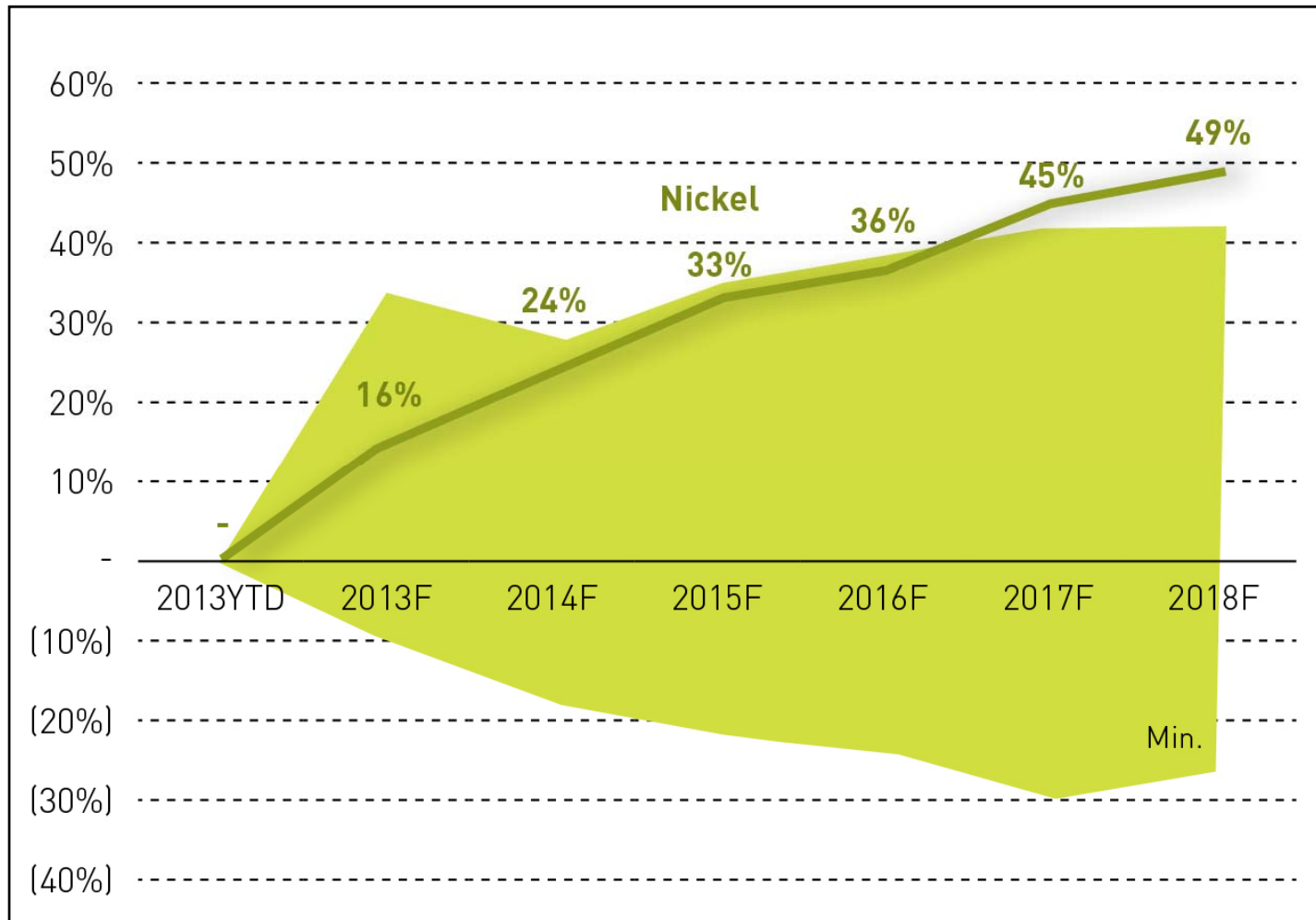
Looming shortage of concentrate from 2015

Brook Hunt long term nickel price at US\$13/lb (2012 terms)



Source: Brook Hunt - A Wood Mackenzie Company

Consensus Economics sees strong upside to Nickel Price



■ Range of other commodities reviewed (excludes Uranium)

■ Price outlook

Commodities & participants surveyed

Commodities


- Crude oil (Brent)
- Crude oil (WTI)
- Natural gas (US)
- Coal (steaming)
- Uranium
- Aluminium
- Alumina
- Copper
- Lead
- Zinc
- Tin
- Steel (HRC, Europe)
- Iron ore (Aust. fines)
- Gold
- Silver
- Platinum
- Palladium

Institutions

- Barclays Capital
- CIMB Group
- RBC Capital Markets
- Wilson HTM
- Commonwealth Bank
- Euromonitor Int'l
- Morgan Stanley
- BREE
- BNP Paribas
- BIPE
- Investec
- Liberium Capital
- Oxford Economics
- HIS Global Insight
- Standard Bank
- BoA Merrill Lynch
- Macquarie Bank
- Societe Generale
- HWWI
- UBS
- Credit Suisse
- China Int'l Capital Corp
- Prometeia
- Deutsche Bank
- Econ Intelligence Unit

Recent Broker Reports value Poseidon at between 21c – 27c with nickel upside

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Poseidon Nickel Limited

DRAFT

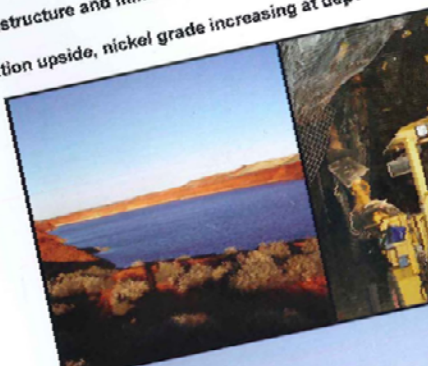
September

Another ex-WMC mine set for a turnaround

Recommendation: BUY

- Impressive resource of 156kt contained nickel
- Significant infrastructure and mine development in place
- Strong exploration upside, nickel grade increasing at depth

ASK: POS
Price: \$0.11/share
MCap.: \$45M
Valuation: \$0.27/share
Valuation: \$110M
Cash: \$6M
Debt: \$43M
Shares: 409.6M
Options: 7.5M
Monthly Ticker: \$2M



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BBY Company Research

Poseidon Nickel Limited

25 November 2013



POS	AS\$0.10	TARGET PRICE	AS\$0.20	SPECULATIVE BUY
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Poseidon Nickel Limited is a mineral exploration company focusing on nickel and gold exploration projects.

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Recent drilling success indicates upside on project optimization

Poseidon Nickel's management has delivered the discovery of Cerberus, and the depth extension of Mt Windarra, combined into a Definitive Feasibility Study released in April 2013, and is ready for funding and financial close, which was frustrated by the fall in nickel price over 2013. Over the next 12 months, the POS share price is likely to be positively impacted by both a surprising improvement in the nickel market, and a higher NPV as the project is optimised. Our AS\$0.20/sh price target is based on consensus nickel prices, and on 900Ktpa throughput. With funding still to be completed, we are initiating coverage with a Speculative Buy.

Company Data

Number of shares	410M
Market capitalisation	\$39M
Free Float	62.8%
12 month high/low	\$0.30/\$0.09
Average monthly turnover	\$3M
% S&P/ASX 200	na
% All Ordinaries	na
ESG Disclaimer Score (Ranking)	na
GOES Industry Group	Materials

BBY vs Consensus

	BBY FY1	Consensus FY1	% Difference
EBITDA (\$M)	(5.3)	(4.2)	(5.5)
NPAT (\$M)	(3.7)	(4.2)	(8.5)
EPS (c/m)	(0.6)	(0.6)	(0.0)

BBY Technical View - as at 26/11/2013

Exit price	\$0.24	Resistance	\$0.16
Trend	Range Bound	Support	\$0.085

Earnings summary (AUD)

Year end June	2012A	2012F	2013F	2014F
Net Aftertax Profit (\$M)	(0.4)	(3.7)	(4.2)	(5.5)
Reported Profit (\$M)	(0.4)	(3.7)	(4.2)	(5.5)
EPS (\$)	(0.2)	(0.6)	(0.6)	(1.4)
P/E (x)	(4.0)	(5.5)	(5.9)	(6.7)
GPFS (x)	(14)	(0.1)	(2.0)	18
P/CF (x)	(9.3)	(76.8)	(4.7)	5.2
DP (\$)	0.0	0.0	0.0	0.0
EV/EBITDA (x)	(8.3)	(24.1)	(53.2)	9.8
Franking (%)	0.0	0.0	0.0	0.0

POS share price performance



BBY Limited ABN 80 006 707 777

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Leverage Play: Mt Windarra to Fly Again



4 November 2013

12mth Rating

Price	AS	SPEC BUY
Target Price	AS	0.22
12m Total Return	%	121.1

RIC: POS.AX

Shares o/s	m	EBG: POS AU
Free Float	%	405.6
Market Cap.	%	58%
Net Debt (Cash)	\$M	40.6
3m Av. D. Ticker	%	40.6
52wk High/Low	AS	100.2
2yr adj. beta	AS	0.04

Valuation

Methodology	AS	DCF
Value per share	AS	0.22

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12 Month Share Price Performance

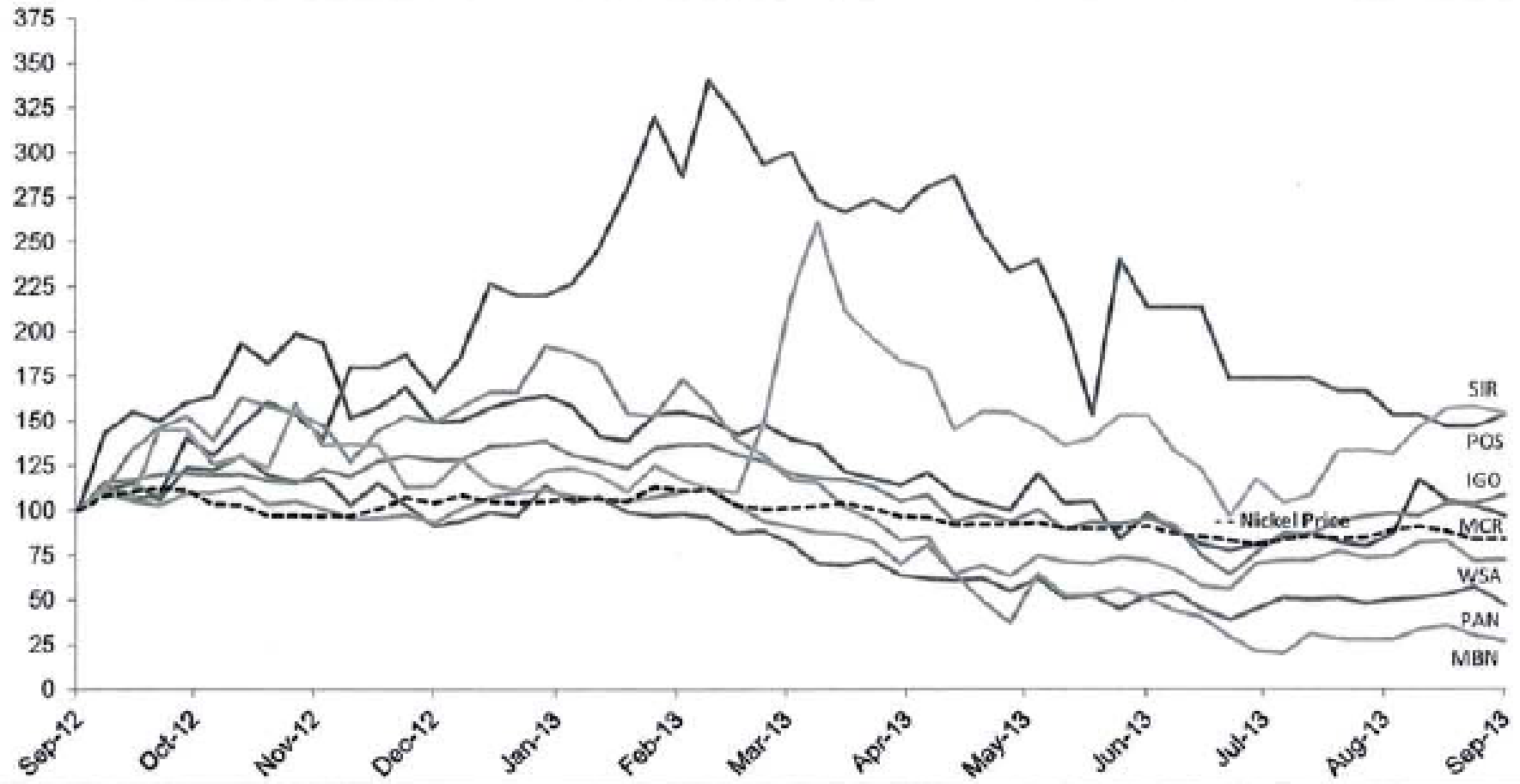


Performance %

Absolute	2mths	3mths	12mths
Rel. S&P/ASX 300	-9.1	-23.1	-13.0
	-12.9	-26.2	-12.0

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Share Price Performance compared to WA Nickel Peers



Source: Petra Capital



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