

POSEIDONNICKEL

Notice of 2018 Annual General Meeting

ACTIONS TO BE TAKEN BY SHAREHOLDERS

The 2018 Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held

On: Thursday, 22 November 2018

At: 11.00am (WST)

At: KPMG

Boardroom 1
Level 8
235 St Georges Terrace
PERTH WA 6000

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Eligibility to attend and vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4.00pm (WST) on Tuesday, 20 November 2018.

Last date to submit Proxy Form

Your completed Proxy Form must be received by the Company no later than 11.00am (WST) on **Tuesday, 20 November 2018**. Please complete and sign the enclosed Proxy Form, returning:

- Online at** www.investorvote.com.au
- By mail** Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001
- By fax** 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)
- By mobile** Scan the QR Code on your proxy form and follow the prompts
- Custodian Voting** Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Proxy Forms received after Tuesday, 20 November 2018 will be invalid.

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

To appoint a proxy, please write the name of the appointed proxy in the box on the proxy form denoted by Ω . You can direct your proxy how to vote on Items 1 to 8 by marking "For", "Against" or "Abstain".

A proxy does not need to be a shareholder of the Company. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number, each proxy may exercise half of the votes. You must return both Proxy Forms together. If you require additional Proxy Forms, please contact the Company Secretary on +61 435 905 770.

If you sign the enclosed Proxy Form, and mark the box against the Chairman, the Chairman will be appointed as your proxy. The Chairman currently intends to vote undirected proxies on, and in favour of, all proposed resolutions.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to vote and speak will be suspended while you are present.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person.

If you intend to attend the meeting in person, you do not need to submit a Proxy Form.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will suspend your proxy appointment while you are present at the meeting.

Please bring your Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting, the Company will need to verify your identity. Please arrive 20 minutes prior to the start of the Annual General Meeting on the date and at the venue set out above.

Voting by Corporate Representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the Corporations Act 2001 (Cth) (Corporations Act). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

Impact of your proxy appointment on your voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

If you appoint any other member of the Board of directors, a member of senior management who is named in the remuneration report (KMP) or their closely related parties as your proxy, they will not be able to vote your proxy on the Remuneration report unless you have directed them how to vote.

"Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a KMP.

If you intend to appoint a KMP or the Chairman as your proxy, you are encouraged to direct them how to vote by marking "For", "Against" or "Abstain" for each of those items of business.

The Chairman's voting intentions

The Chair intends to vote undirected proxies in favour of all Resolutions other than Resolution 7 where the Chair intends to vote against. If there is a change to how the Chairman intends to vote undirected proxies, Poseidon will make an announcement to the market.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person, is conclusive.

BUSINESS OF THE 2018 ANNUAL GENERAL MEETING

2018 Annual Report

To table and consider the Annual Reports of the Company and its controlled entities for the 12 months ended 30 June 2018 together with the Declarations of the Directors, the Directors' Report, the Remuneration Report and the Audit Reports.

NON-BINDING Resolution

Resolution 1 – 2018 Directors' Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report of the Directors for the financial year ended 30 June 2018 as contained in the 2018 Annual Report be adopted”

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 1 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and*
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.*

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or*
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change their voting intention on Resolution 1, in which case an ASX announcement will be made.*

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

ORDINARY Resolutions

Resolution 2 - Re-Election of Director || Mr Geoffrey Brayshaw

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Company’s Constitution and for all other purposes, Mr Geoff Brayshaw retires by rotation and being eligible, is re-elected as a Director.”

Resolution 3 - Election of Director || Mr Karl Paganin

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Company’s Constitution and for all other purposes, Mr Karl Paganin, a Non-Executive Director, appointed on 01 October 2018, as an addition to the Board and being eligible for election, offers himself for election as a Director.”

Resolution 3(a) - Election of Director || Ms Felicity Gooding

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Company’s Constitution and for all other purposes, Ms Felicity Gooding, a Non-Executive Director, appointed on 01 October 2018, as an addition to the Board and being eligible for election, offers herself for election as a Director.”

Resolution 4 - Ratification of prior issue of 19,434,971 Shares under ASX Listing Rule 7.1

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 19,434,971 Shares as described in the Explanatory Memorandum”.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 - Ratification of prior issue of 40,000,000 Shares under ASX Listing Rule 7.1

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 40,000,000 Shares as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6 - Ratification of prior issue of 68,325,700 Shares under ASX Listing Rule 7.1

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 68,325,700, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6(a) - Ratification of prior issue of 48,451,300 Shares under ASX Listing Rule 7.1A

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 48,451,300 Shares, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Contingent Resolution

Resolution 7 – Spill Resolution

Resolution 7 is a conditional resolution. The Resolution is conditional on at least 25% of the votes cast on Resolution 1, 2018 Directors’ Remuneration Report being cast against the adoption of the Directors’ Remuneration Report.

If required:

To consider in accordance with section 250V of the Corporations Act, and if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional on at least 25% of the votes cast in respect of Resolution 1 (2018 Directors’ Remuneration Report) being cast against the adoption of the 2018 Directors’ Remuneration Report

- (a) an extraordinary general meeting of shareholders (**Spill Meeting**) be held within 90 days of the passing of this Resolution;*
- (b) Mr Geoff Brayshaw (excluding Robert Dennis as Managing Director and CEO, Mr Karl Paganin and Ms Felicity Gooding as they were appointed post approval of the 2018 Directors’ Report) who holds office following this Annual General Meeting and who remains in office at the time of the Spill Meeting, ceases to hold office immediately before the end of the Spill Meeting;*
and
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”*

(Assuming that Mr Geoff Brayshaw is re-elected as a director under Resolution 2).

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 7 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 7 unless:

- (c) the appointment specifies the way the proxy is to vote on Resolution 7; or
- (d) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 7. In exceptional circumstances, the Chair of the Meeting may change their voting intention on Resolution 7, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 7 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

SPECIAL Resolution

Resolution 8 - Approval of 10% Placement Capacity

To consider, and if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, approval is provided for the Company to have the additional capacity (to issue up to that number of securities equal to 10% of the issued capital of the Company at the time of issue) to issue Equity Securities under ASX Listing Rule 7.1A, for the period specified in Listing Rule 7.1A.1 and in accordance with the formula prescribed in Listing Rule 7.1A.2.”

VOTING EXCLUSION STATEMENT: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By Order of the Board



Eryn Kestel
Company Secretary
 09 October 2018

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide Shareholders with material information known to the Directors to enable them to decide whether to pass the Resolutions the subject of the business of the Annual General Meeting of the Company, to be convened for Thursday, 22 November 2018 commencing at 11.00am (WST).

2018 ANNUAL REPORT

In accordance with the Company's Constitution and Section 317 of the Corporations Act, the 2018 Annual Report is to be tabled at this Annual General Meeting.

There is no statutory requirement for Shareholders to approve the Company's Annual Report; it is placed before Shareholders for discussion.

Representatives from the Company's Auditors, KPMG, will be present at the Annual General Meeting to respond to Shareholders' questions and comments about the conduct of the audit, the preparation and content of the Audit Report.

Shareholders present at the Annual General Meeting will be provided with the opportunity to ask questions of the Directors' present about the management of the Company and the content of the Remuneration Report.

Shareholders who are unable to attend the Annual General Meeting can submit written questions under Section 250PA of the Corporations Act in relation to:

- (a) The preparation and the content of the 2018 Auditor's Report;
- (b) The conduct of the 2018 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the 2018 financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2018 audit

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at <http://www.poseidon-nickel.com.au/>

Resolution 1: 2018 Directors' Remuneration Report

In accordance with Section 250R of the Corporations Act, the Board has submitted the 2018 Remuneration Report (included in the 2018 Annual Report) to Shareholders for consideration and adoption.

The Remuneration Report is set out in the Directors' Report in the 2018 Annual Report and in accordance with Section 300A of the Corporations Act sets out the remuneration policy of the Company and reports the current remuneration arrangements for the Directors and senior management of the Company.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives.

A reasonable opportunity will be provided at the Annual General Meeting for discussion of the Remuneration Report.

This Resolution will be decided as if it were an ordinary (majority) resolution but under section 250R (3) of the Corporations Act the vote does not bind the Directors of Poseidon.

A failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will consider the outcomes of the votes when considering the future remuneration arrangements of the Company.

Pursuant to the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against the adoption of the 2018 Remuneration Report at this Annual General Meeting and because the Company recorded a 1st strike against the 2017 Remuneration Report, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) – refer Resolution 7 below.

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the Company's 2018 annual general meeting. All the Directors who were in office when the Company's 2018 Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

Proxy Restrictions

Pursuant to the Corporations Act, if a Shareholder elects the Chairman, a Key Management Personnel or any Closely Related Party as their proxy to vote on Resolution 1, **the Shareholder must be very clear on how they want the proxy to vote and provide the proxy with those specific instructions/directions** - if no directions on how to vote on Resolution 1 is provided, the Chairman, a Key Management Personnel or any Closely Related Party is prevented by the Corporations Act from exercising the undirected vote and the vote will not be counted in relation to Resolution 1.

Recommendation of Board

The Directors abstain, in the interests of corporate governance, from making a recommendation in respect of Resolution 1.

Resolution 2: Re-Election of Director Retiring by rotation

Resolution 2 seeks approval for the re-election of Mr Geoff Brayshaw as a Non-Executive Director with effect after the Annual General Meeting.

In accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, Directors must retire by rotation after the third Annual General Meeting since they were last elected. The Directors to retire at an Annual General Meeting are those that have been longest in office since their last election.

At the 2018 Annual General Meeting, Mr Brayshaw is the Director due to retire by rotation pursuant to the Company's Constitution and the ASX Listing Rules and being eligible is seeking re-election as a Director of the Company

Poseidon Nickel Limited currently has three (3) Non-Executive Directors – Mr Geoff Brayshaw, Mr Karl Paganin and Ms Felicity Gooding and accordingly, one (1) must retire by rotation.

Mr Geoffrey Brayshaw Non-Executive Director

Qualifications

Member of Institute of Chartered Accountants of Australia

Experience and expertise

Mr Brayshaw retires as a Director and being eligible, seeks re-election in accordance with clause 13.2 of the Constitution as a Non-Executive Director.

Mr Brayshaw was formerly an audit partner with a major accounting firm in Perth, having been in practice for some 35 years. He has also held several positions in commerce and professional bodies including national president of the Institute of Chartered Accountants of Australia in 2002.

He was previously an independent Director and Audit Committee Chairman of both Fortescue Metals Group Limited and AVEA Insurance Limited. He was previously a member of the Board of the Small Business Development Corporation.

Independence

If elected, the Board does consider Mr Brayshaw to be an independent Director.

Recommendation of the Board

The Board (excluding Mr Brayshaw) recommends the re-election of Mr Brayshaw as a Director of the Company.

Resolutions 3 and 3(a) Election of Directors

Resolutions 3 and 3(a) seek approval for the election of Mr Karl Paganin and Ms Felicity Gooding respectively, as Non-Executive Directors, with effect at the end of the Annual General Meeting.

Pursuant to ASX Listing Rule 14.4 and clause 13.4 of the Company's Constitution, a person appointed by the Board as a Director of the Company holds office only until the next general meeting following appointment and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation at the Meeting.

Mr Paganin and Ms Gooding were appointed to the Board on 01 October 2018, as additions to the Board following the successful completion of the August 2018 placement and September 2018 entitlement issue. In accordance with the Company's Constitution and ASX Listing rule 14.4 and being eligible, Mr Paganin and Ms Gooding seek election from Shareholders.

The skills and experience of Mr Paganin and Ms Gooding are set out below.

Mr Karl Paganin Non-Executive Director

Qualifications

Bachelor of Law; and
Bachelor of Arts

Experience and expertise

Mr Paganin practised with major national law firms and was then appointed as Senior Legal Counsel at the newly formed family company of the Holmes a Court family, Heytesbury Holdings where he spent 11 years. His roles varied from Senior Legal Counsel to Director of Major Projects, a role which involved having conduct of all major transactions within the Group.

After Heytesbury, Mr Paganin spent 15 years as a senior Investment Banker in Perth. In 2002, he joined the Perth based Euroz Securities and established its Corporate Finance department.

In 2010, he established and was Managing Director of GMP Australia Pty Ltd an affiliate of a Canadian resource specialist investment bank.

Mr Paganin specialises in transaction structuring, equity capital markets, mergers and acquisitions and providing strategic management advice to listed public companies.

Independence

Mr Paganin has been appointed to the Board as the nominee of Black Mountain Metals Pty Ltd, a substantial Shareholder of the Company. If elected, the Board does not consider Mr Paganin to be an independent director.

Ms Felicity Gooding
Non-Executive Director

Qualifications

Bachelor of Commerce
 Fellow of the Institute of Chartered Accountants

Experience and expertise

Ms Gooding is the Chief Operating Officer and Chief Financial Officer of the Minderoo Group.

Ms Gooding has more than 15 years' experience specialising in due diligence, mergers and acquisitions, and equity and debt financing across various sectors in Washington DC, Singapore and London.

Ms Gooding has held senior positions at PwC, Diageo Plc and Fortescue Metals Group Ltd where she was instrumental in the raising of more than A\$5 billion for project expansion financing. Prior to joining Minderoo Ms Gooding was an executive at potash development company, Sirius Minerals Plc.

Independence

Ms Gooding has been appointed to the Board as the nominee of Squadron Resources Pty Ltd, a substantial Shareholder of the Company. If elected, the Board does not consider Ms Gooding to be an independent director.

Recommendation of the Board

The Board (excluding Mr Paganin and Ms Gooding) recommends that Shareholders vote in favour of the election of Mr Karl Paganin and Ms Felicity Gooding as Directors of the Company.

Resolutions 4 to 6(a) – Ratification of prior issue of Shares

1.1 General

During the last 12 months, Poseidon has issued a total of 176,211,971 Ordinary Shares (**Shares**), the subject of Resolutions 4 to 6(a), without prior Shareholder approval pursuant to either ASX Listing Rule 7.1 or 7.1A.

1.2 Listing Rules 7.1, 7.1A and 7.4

Listing Rule 7.1 provides a company with the ability to issue during any 12-month period, that amount of securities that represents up to 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period without Shareholder approval. 127,760,671 Shares, the subject of Resolutions 4, 5 and 6 were issued pursuant to the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval by way of special resolution at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital to be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Poseidon, an Eligible Entity obtained approval on the 09 November 2017 at its Annual General Meeting to issue securities up to 10% of its issued capital under Listing Rule 7.1A.

Poseidon has issued a total of 48,451,300 Shares under Listing Rule 7.1A in the last 12 months, the subject of Resolution 6(a).

ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under Listing Rule 7.1 or 7.1A if:

- (a) the issue of Shares did not breach Listing Rule 7.1 or 7.1A; and
- (b) Shareholders subsequently approve the issue of those securities by the Company.

By ratifying the issues, the subject of Resolutions 4 to 6(a), the base figure which the Company's 15% and 10% annual placement capacities are calculated with be increased by 176,211,971 Shares which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

If the issues, the subject of Resolutions 4 to 6(a) are not ratified, the issues remain valid, but the Company will be restricted in the number of securities that can be issued.

The Company's use of the 10% annual placement capacity following the Annual General Meeting remains conditional on Resolution 8 being passed by the requisite majority.

Resolution 4 - Ratification of prior issue of 19,434,971 Shares under ASX Listing Rule 7.1

In January 2016, the Company issued a Convertible Note with a face value of USD\$17.5 million (Convertible Note).

In accordance with the terms and conditions of the Convertible Note, interest is payable on the Convertible Note at 5% per annum in arrears. Interest can be paid in cash or through the issue of Shares in the capital of the Company.

The Company has issued 19,434,971 Shares to Jefferies LLC utilising the Company's 15% annual placement capacity under Listing Rule 7.1 in satisfaction of the accrued interest on the Convertible Note for the December 2017, March and June 2018 quarters.

Resolution 4 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following with respect to Resolution 4.

No. of Securities Issued:

- (A) 5,424,841 Shares in satisfaction of the accrued interest on the Convertible Note for the December 2017 quarter;
- (B) 6,821,682 Shares in satisfaction of the accrued interest on the Convertible Note for the March 2018 quarter; and
- (C) 7,188,448 Shares in in satisfaction of the accrued interest on the Convertible Note for the June 2018 quarter

Issue Price:

- (A) Deemed issue price of \$0.0472 being the five (5) day VWAP to and including 31 December 2017. Total interest payable of A\$256,052;
- (B) Deemed issue price of \$0.0370 being the five (5) day VWAP to and including 31 March 2018. Total interest payable of A\$252,402; and
- (C) Deemed issue price of \$0.0370 being the five (5) day VWAP to and including 30 June 2018. Total interest payable of A\$265,973.

Issue Date:

- (A) 02 January 2018;
- (B) 03 April 2018; and
- (C) 06 July 2018.

Reason for Issue:

In satisfaction of the accrued interest on the Convertible Note.

Use of Funds:

No funds were raised from the issue as the Shares were issued in satisfaction of accrued interest on the Convertible Note.

Terms of Securities:

All Shares were issued as fully paid ordinary shares ranking equally with existing Shares. Quotation on the ASX was sought and obtained.

Subscriber:

The Shares were issued to Jefferies LLC, being the convertible note holder, who is not a related party of the Company.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolution 4, as it allows the Company to ratify the above issues of Shares and retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without shareholder approval.

Furthermore, the Company was able to preserve cash reserves being able to offer Shares in payment of quarterly interest commitments

Resolution 5 - Ratification of prior issue of 40,000,000 Shares under ASX Listing Rule 7.1

In November 2017 and January 2018, Poseidon placed 40,000,000 Shares with institutional and professional investor clients of Pershing Australia Nominees Pty Ltd. The Shares were issued utilising the Company's 15% annual placement capacity under Listing Rule 7.1.

Resolution 5 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

Resolution 5 – ASX Listing Rule 7.1**Information required by ASX Listing Rule 7.4**

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following with respect to Resolution 5.

No. of Securities Issued:

(A) 20,000,000 Shares;

(B) 20,000,000 Shares;

Issue Price:

(A) \$0.0440 being the five (5) day VWAP up to and including 29 November 2017; and

(B) \$0.0472 being the five (5) day VWAP up to and including 31 December 2017;

Issue Date:

(A) 30 November 2017;

(B) 02 January 2018;

Reason for Issue:

Placement to raise short-term funds for immediate use.

Use of Funds:

Funds totalling approximately \$1,824,000 were deployed for working capital purposes, progressing gold and lithium exploration programs and care and maintenance programs.

Terms of Securities:

All shares were issued as fully paid ordinary shares ranking equally with existing shares. Quotation on the ASX was sought and obtained.

Subscriber:

The Shares were issued to institutional and professional investor clients of Pershing Australia Nominees Pty Ltd., none of whom are a related party of the Company.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolution 5 as it allows the Company to retain the flexibility to be proactive when investment opportunities arise and be able to act efficiently and effectively by issuing the maximum number of equity securities permitted under Listing Rules 7.1 and 7.1A without shareholder approval and take advantage of available funds.

Resolutions 6 and 6(a) - Ratification and approval of prior issue of 116,777,000 Shares issued under ASX Listing Rules 7.1 and 7.1A

On the 24 August 2018, the Company announced a placement (Share Placement) to raise approximately \$5.8 million. The Share Placement was made to sophisticated and professional investors with assistance from Petra Capital Pty Ltd who acted as Lead Manager.

A total of 116,777,000 Placement Shares were issued under the Share Placement utilising the remaining balance of securities available under the Company's 15% (68,325,700 Shares) and 10% (48,451,300 Shares) annual placement capacities.

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of 68,325,700 Shares.

Resolution 6(a) seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of 48,451,300 Shares.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following with respect to Resolutions 6 and 6(a)

No. of Securities Issued:

(a) 116,777,000 Shares were issued on the following basis:

- (i) 68,325,700 Shares were issued pursuant to ASX Listing Rule 7.1 (Resolution 6); and
- (ii) 48,451,300 Shares were issued pursuant to ASX Listing Rule 7.1A (Resolution 6(a))

Issue Price:

The issue price was \$0.05 per Share under both issues of Shares, the subject of Resolutions 6 and 6(a).

Issue Date:

The Shares were issued on 28 August 2018.

Reason for Issue:

Placement to raise medium-term funds for planned work programs.

Terms of Securities:

All shares were issued as fully paid ordinary shares ranking equally with existing shares. Quotation on the ASX was sought and obtained.

Subscribers:

The Shares were issued to Forrest Family Investments Pty Ltd, Black Mountain Metals Pty Ltd and Mulloway Pty Ltd, none of who are related parties of the Company.

Use of funds

The funds raised from the Share Placement will be deployed towards the restart of the Silver and Black Swan mines, processing plant at Black Swan and corporate purposes.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolutions 6 and 6(a), as it allows the Company to ratify the above issues of Shares and retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without shareholder approval.

Contingent Resolution 7 – Spill Resolution

This resolution is a conditional resolution.

Resolution 7 is conditional on at least 25% of the votes cast on Resolution 1 (2018 Directors' Remuneration Report) being cast against the adoption of the Directors' Remuneration Report – if the Company receives a "second strike".

Resolution 7 (**Spill Resolution**) is required to be included in this Notice of Meeting because at least 25% of the votes cast on the adoption of the 2017 Directors' Remuneration Report contained in the Company's 2017 Annual Report were against the adoption of the report - at the 2017 Annual General Meeting, the Company received a "first strike".

In 2011, the Corporations Act was amended to introduce a two-strike rule. Where the Remuneration Report receives more than 25% of eligible votes cast against the Non-Binding Resolution at two (2) consecutive meetings, a further resolution must be put to the Annual General Meeting to spill the current Board (**Spill Resolution**) at a further General Meeting, to be held within 90 days (**Spill Meeting**).

If the votes against the 2018 Directors' Remuneration Report represent less than 25% of the eligible votes cast, then there will be no second strike and Resolution 7 will not be put to the 2018 Annual General Meeting.

If required, the Spill Resolution will be considered as an ordinary resolution. If a second strike is received and the Spill Resolution is passed, a Spill Meeting must be held within 90 days of the passing of the Spill Resolution.

If a Spill Meeting is held, the Director (other than Mr Robert Dennis as Managing Director and CEO, Mr Karl Paganin and Ms Felicity Gooding who were not in office at the date of Board approval of the 2018 Remuneration Report) who will cease to hold office immediately before the end of the Spill Meeting (unless they resign before the Spill Meeting), pursuant to section 250V91)(b)(i) of the Corporations Act, will be:

- Geoff Brayshaw; (if elected per Resolution 2)

Even if Mr Brayshaw is elected at this year's Annual General Meeting, he will still need to be elected at the Spill Meeting to remain in office after the Spill Meeting.

Mr Brayshaw is eligible to stand for re-election at the Spill Meeting and intend to seek re-election.

Shareholders should be aware however that the convening of a separate Spill Meeting will result in the Company incurring material additional expense in conducting a meeting as well as disruption and distraction to the focus of core business operations, therefore the Chairman intends to vote all undirected proxies **against** Resolution 7.

Recommendation of Board

Each of the Directors has a personal interest in the Spill Resolution and the Board considers that a

Spill Meeting would be extremely disruptive to the Company.

The Board also notes that Shareholders can remove a Director by a majority Shareholder vote at any general meeting and for any reason.

Resolution 8- Approval of 10% Placement Capacity

General

The Company is seeking Shareholder approval to issue an additional 10% of its issued capital over a 12-month period pursuant to Listing Rule 7.1A.

Pursuant to Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by special resolution at the annual general meeting, are permitted to issue an additional 10% of issued capital over a 12-month period from the date of the annual general meeting (**Additional 10% Placement**). The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12-month period pursuant to Listing Rule 7.1. The Company may issue the Equity Securities to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Listing Rule 7.1A

Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

For illustrative purposes only, on 03 October 2018, the Company's market capitalisation was approximately \$155.9 million based on the last trading price on that date. The calculation of market capitalisation will be based on the last trading price of the shares, on the last trading day on which trades in the shares were recorded before the date of the Annual General Meeting, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of preparing this Notice of Meeting, however, it should be noted that the S&P/ASX300 Index is rebalanced twice a year in March and September.

The Company is therefore an Eligible Entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A.

If the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholder approval pursuant to this Resolution, the approval obtained will not lapse and the Company will still be entitled to issue the Equity Securities during the 12-month period following this Annual General Meeting (**AGM**).

Special Resolution

Listing Rule 7.1A requires this Resolution to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution.

Pursuant to Listing Rule 7.1A, no Equity Securities will be issued until and unless this Special Resolution is passed at the Annual General Meeting.

Shareholder Approval

The ability to issue the Equity Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the AGM.

Listing Rules 7.1 and 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% capacity under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has on issue 2,642,701,831 Shares. The Company will have the capacity to issue the **below** Equity Securities immediately following the Meeting:

- 396,405,275 Equity Securities under its 15% Placement Capacity (Listing Rule 7.1); and
- Subject to Shareholder approval being obtained under this Resolution, a further 264,270,183 Equity Securities under its 10% Additional Capacity (Listing Rule 7.1A).

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described following).

Formula for calculating the 10% Placement Capacity under Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- plus, the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus, the number of partly paid shares that became fully paid in the 12 months;
- plus, the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (which does not include the 10% Placement Capacity);
- less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Specific information required by Listing Rule 7.3A.

Minimum price of securities issued under Listing Rule 7.1A-Listing Rule 7.3A.1

Pursuant to and in accordance with Listing Rule 7.1A.3, the Equity Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 trading days immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (2) if the Equity Securities are not issued within five (5) trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Equity Securities

Risk of economic and voting dilution - Listing Rule 7.3A.2

As provided by Listing Rule 7.3A.2, if Resolution 7 is passed and the Company issues the Equity Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue **2,642,701,831** Shares and could issue **264,270,183** Shares immediately following the AGM (however, it is important to note that the exact number of Equity Securities which

may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2, details of which are set out above). Any issue of Equity Securities will have a dilutive effect on existing Shareholders.

Shareholders should note that there is a risk that:

- the market price for the Company's Equity Securities may be significantly lower on the issue date than it is on the date of the Annual General Meeting; and
- the Company's Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue

which may influence the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.

As required by Listing Rule 7.3A.2, the table below shows the dilution effect for existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables such as:

- the issued share capital has increased by both 50% and 100%; and
- the market price of the Shares as at the close of trade on 03 October 2018 has halved and then doubled.

Shares on Issue	Dilution Table			
<i>Variable A in Listing Rule 7.1A.2</i>		\$0.0295 50% decrease in Issue Price	\$0.059 Current Share Price	\$0.118 100% increase in Issue Price
Current Issued Shares 2,642,701,831	10% Voting Dilution	264,270,183 Shares	264,270,183 Shares	264,270,183 Shares
	Funds raised	\$7,795,970	\$15,591,941	\$31,183,882
50% increase in Issued Shares 3,964,052,746 Shares	10% Voting Dilution	396,405,275 Shares	396,405,275 Shares	396,405,275 Shares
	Funds raised	\$11,693,956	\$23,387,911	\$46,775,822
100% increase in Issued Shares 5,285,403,662 Shares*	10% Voting Dilution	528,540,366 Shares	528,540,366 Shares	528,540,366 Shares
	Funds raised	\$15,591,941	\$31,183,882	\$62,367,630

The following assumptions were made when preparing the dilution table:

1. There are currently **2,642,701,831** Shares on issue as at the date of this Notice of Meeting;
2. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares;
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. Therefore, the voting dilution is shown in each example as 10%;
6. The table does not show the dilution affect that may be caused to a Shareholder;
7. The table only shows the effect of issues of Equity Securities under Listing Rule 7.1A not under the 15% Placement Capacity under Listing Rule 7.1; and
8. The issue price of \$0.059 is the closing price of the Shares on the ASX as at 03 October 2018

Final Date for Issue - Listing Rule 7.3A.3

As required by Listing Rule 7.3A.3, the Company will only issue the Equity Securities during the 12 months after the date of the 2018 Annual General Meeting which the Company anticipates will end on 22 November 2019.

The approval under this Resolution for the issue of the Equity Securities will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or

scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the Annual General Meeting.

Purpose - Listing Rule 7.3A.4

As noted above, the purpose for which the Equity Securities may be issued include to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Funds raised from the issue of Equity Securities, if undertaken, would be applied towards:

1. To take advantage of exploration opportunities as well as any new mineral projects acquired by the Company during the period ahead; and
2. Potential acquisition of new assets and investment opportunities

Shares Issued for Non-Cash Consideration - Listing Rule 7.3A.4

The Company may issue Equity Securities for non-cash consideration, such as the acquisition of new assets or interest. If the Company issues Equity Securities for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Equity Securities complies with Listing Rule 7.1A.3.

Company's Allocation Policy - Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Equity Securities. The identity of the potential investors of Equity Securities will be determined on a case - by - case basis having regard to several factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue; or
- (2) other issue in which existing shareholders can participate;
- (3) the effect of the issue of the Equity Securities on the control of the Company;
- (4) the financial situation and solvency of the Company; and
- (5) Advice from corporate, financial and broking advisers (if applicable).

The potential investors of the Equity Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or associates of a related party of the Company.

Furthermore, if the Company is successful in acquiring new assets or investments for which Equity Securities are issued as consideration, it is likely that the potential investors of some of the Equity Securities will be the vendors of the new assets or investments.

Equity Issues over Last 12 Months – Listing Rule 7.3A.6A

Pursuant to the requirements of Listing Rule 7.3A.6(b), all the cash and non-cash equity issues made by the Company since the date of the 2017 Annual General Meeting are detailed in Annexure A.

For the purpose of Listing Rule 7.3A.6(a), 1,672,349,922 Equity Securities were issued in the 12-month period preceding the 2018 Meeting representing 169.68% of the Equity Securities on issue at the start of the 12 Month Period.

Equity Securities on issue at commencement of 12-month period	985,592,595
Equity Securities issued in last 12-month period under Listing Rule 7.1 and 7.1A comprised as follows: 1,657,630,187 Shares; and 14,719,735 Unlisted Performance Rights 1,672,349,922	1,672,349,922
Percentage Equity Securities issued represents of total number of Equity Securities on issue at commencement of 12-month period	169.68%

The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2017 Annual General Meeting and in accordance with Listing Rule 7.3A.6, the Company confirms that 48,451,300 Equity Securities were issued under the 10% Placement Capacity on 28 August 2018 as detailed in Resolution 6(a) above.

Voting Exclusion Statement

A voting exclusion statement is included for this Resolution in the Notice of Meeting accompanying the Explanatory Memorandum. At the date of the Notice, the Company has not approached any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. therefore, no existing Shareholders will be excluded from voting on Resolution 8.

Recommendation of the Board

The Directors of the Company believe that Resolution 8 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

The ability of the Company to issue Shares under the 10% Placement Capacity will enable the Company to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for approval. The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests in the prevailing difficult market conditions.

ANNEXURE A – Details of Equity Securities issued in the 12 months prior to the date of the 2018 Annual General Meeting

Issue Date	Number	Type	Consideration	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Issue Price	Discount to market price (MP) at issue date	Cash received / Funds Raised	Use of Funds	Funds Spent
30 November 2017	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.0440	No	\$880,000	Funds used for working capital (\$380,000) and processing lithium exploration activities (\$500,000)	\$880,000 Fully spent
02 January 2018	5,424,841	Shares	Non-Cash \$256,052	Jefferies LLC	\$0.0472 VWAP for the 5 days to 31 December 17	No	Nil	In satisfaction of the December 2017 quarter interest payment on Convertible Note.	Nil
02 January 2018	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.0472	No	\$944,000	Funds used for working capital (\$500,000) and processing lithium exploration activities (\$444,000)	\$944,000 Fully spent
	1,749,612	Unlisted Performance Rights	Non-Cash \$74,358	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.0425 VWAP for December 17 quarter	No	N/A	In lieu of director fees for the December 2017 quarter	Nil
	1,548,371	Unlisted Performance Rights	Non-Cash \$57,799	Mr Chris Indermaur	VWAP's for October 17 (\$0.0289), Nov 17 (\$0.0476), Dec 17 (\$0.0407)	No	N/A	In lieu of fees for additional part time duties in the absence of CEO for December 2017 quarter	Nil

Issue Date	Number	Type	Consideration	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Issue Price	Discount to market price (MP) at issue date	Cash received / Funds Raised	Use of Funds	Funds Spent
03 April 2018	6,821,682	Shares	Non-Cash \$252,402	Jefferies LLC	\$0.0370 VWAP for the 5 days to 31 March 18	No	Nil	In satisfaction of the March 2018 quarter interest payment on Convertible Note.	Nil
06 July 2018	7,188,448	Shares	Non-Cash \$265,973	Jefferies LLC	\$0.0370 VWAP for the 5 days to 31 March 18	No	Nil	In satisfaction of the June 2018 quarter interest payment on Convertible Note.	Nil
	1,620,010	Unlisted Performance Rights	Non-Cash \$74,358	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.0459 VWAP for March 18 quarter	No	Nil	In lieu of director fees for the March 2018 quarter	Nil
	1,303,694	Unlisted Performance Rights	Non-Cash \$56,542	Mr Chris Indermaur	VWAP's for January 18 (\$0.0485), February 18 (\$0.0441), March 18 (\$0.0387)	No	Nil	In lieu of fees for additional part time duties in the absence of CEO for March 2018 quarter	Nil
06 July 2018	2,009,690	Unlisted Performance Rights	Non-Cash \$74,359	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.037 VWAP for the 5 days to 30 June 18	No	Nil	In lieu of director fees for the June 2018 quarter	Nil
	1,545,549	Unlisted Performance Rights	Non-Cash \$57,171	Mr Chris Indermaur	\$0.037 VWAP for June 18 quarter ¹	No	Nil	In lieu of fees for additional part time duties in the absence of CEO for June 2018 quarter	Nil
27 August 2018	116,777,000	Shares	Cash	Forrest Family Investments Pty Ltd, Black Mountain Metals Pty Ltd and Mulloway Pty Ltd	\$0.05	No	\$5,838,850 Remains available	Placement funds will be deployed to restart early works at the Silver and Black Swan mines and processing plant at Black Swan.	Nil
27 August 2018	19,053,182	Shares	Non-Cash	Mr Chris Indermaur	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	Nil
27 August 2018	3,706,041	Shares	Non-Cash	Mr David Singleton	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	Nil
04 September 2018	4,216,012	Shares	Non-Cash	Mr Rob Dennis	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	Nil
19 September 2018	1,379,506,382	Shares	Cash	Shareholders	\$0.05	No	\$68,975,319 ²	Entitlement Issue	4,237,807 ³
21 September 2018	4,881,546	Shares	Non-Cash	Mr Geoff Brayshaw	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	Nil

1. The Company was suspended from 22 March 2018 to 19 July 2018 whilst it completed Federal Court proceedings for validation orders in relation to secondary trading in shares issued by the Company and therefore as there was no trading for the June 2018 quarter, the Company adopted the March 2018 quarter VWAP as the basis to calculate the Performance Rights for the June 2018 quarter
2. Funds from the Entitlement Issue will be deployed in a staged manner to recommence operations at Black and Silver Swan mines. Any available funds will be used to commence initial Exploration in the prospective areas below the Black Swan Pit and at the Abi Rose prospect at Lake Johnston.
3. Funds spent to date comprise \$3,448,766 for underwriting fee and \$789,041 for corporate advisory fees.

GLOSSARY

\$ means Australian dollars

10% Placement Capacity has the meaning set out on page 16

Annual General Meeting or Meeting means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chairman of the Meeting

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;

- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Poseidon Nickel Limited (ABN 60 060 525 206).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means Non-Executive Directors

Eligible Entity has the meaning set out on page 16

Equity Securities has the same meaning as in the ASX Listing Rules but includes:

- (a) a share;
- (b) a unit;
- (c) a right to a share or unit or option;
- (d) an option over an issued or unissued security;

- (e) a convertible security;
- (f) any security that ASX decides to classify as an equity security
- (g) BUT not a debt security

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice of Meeting.

Key Management Personnel is defined by AASB 124 Related Party disclosures as all directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

Proxy Form means the proxy form accompanying the Notice of Meeting

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

Resolutions means the resolutions set out in the Notice of Meeting or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

VWAP means the volume weighted average price.

WST means Western Standard Time as observed in Perth, Western Australia.