

11 December 2007

POSECOR/C534

ASX Limited
Company Announcements Office
SYDNEY NSW 2000

CLARIFICATION NOTICE

The Company refers to an Announcement titled "Presentation at Annual General Meeting" made on the 28 November 2007.

Slide six (6) of this Presentation has made reference to "non JORC Resources". The Company wishes to clarify this statement as follows:

The resource calculation referred to is a historical estimate derived from a WMC technical report dated February 1993 titled "A Review of the Nickel Resources at Mount and South Windarra" the resources were calculated by WMC using a manual polygonal estimation method. This data is believed to be reliable as it was produced after approximately 20 years of exploration and production experience at the Windarra Site.

Poseidon has previously announced that it is currently undertaking confirmatory drilling in order to restate resources to a JORC compliance.

Whilst the Company considers that the historic estimates provide a reasonable reflection of quantum and grade of mineralisation, there is no guarantee that the reclassification of resources will occur.

Yours faithfully

David Singleton
Chief Executive Officer

CORPORATE DIRECTORY	
Director / Senior Management	
David Singleton	Chief Executive Officer
Andrew Forrest	Non-Executive Chairman
Richard Monti	Non-Executive Director
Chris Indormaur	Non-Executive Director
Ross Nestel	Company Secretary
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Fax: 61 8 9367 8812	
Home Exchange	
The Company's shares are listed on the Australian Stock Exchange and the home exchange is Perth ASX Code: POS	