

10 April 2008

Company Announcements Officer
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Re: CORPORATE PRESENTATION – WINDARRA NICKEL PROJECT

We enclose herewith a copy of an updated presentation in relation to the above.

Yours faithfully



David P.A. Singleton
MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER

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CORPORATE DIRECTORY

Director / Senior Management

David Singleton	Managing Director & Chief Executive Officer
Andrew Forrest	Non-Executive Chairman
Geoff Brayshaw	Non-Executive Director
Richard Monti	Non-Executive Director
Chris Indermaur	Non-Executive Director
Ross Kestel	Company Secretary

Corporate Enquiries

Mr David Singleton – MD & CEO
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F: 61 8 9382 4760

E: admin@poseidon-nickel.com.au

Shareholder Enquiries

Enquiries concerning shareholdings should be addressed to:

Computershare Investor Securities
GPO Box D182, Perth WA 6840
Tel: 61 8 9323 2000

Principal Office

Unit 8, Churchill Court
331-335 Hay Street
SUBIACO WA 6008
Tel: 61 8 9382 8799
Fax: 61 8 9382 4760

Registered Office

Level 2, Spectrum
100 Railway Road
SUBIACO WA 6008
Tel: 61 8 9367 8133
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

Windarra Nickel Project

April 2008

POSEIDONNICKEL

Disclaimer

POSEIDON NICKEL

The information contained in this presentation has been prepared using the information available to Poseidon Nickel Limited at the time of preparation of the presentation.

External or other factors may have impacted on the business of Poseidon Nickel Limited and the content of this presentation since its preparation. In addition, all relevant information about Poseidon Nickel Limited may not be included in this presentation.

Accordingly, you should not rely on the content of this presentation in relation to any further action including investment in Poseidon Nickel Limited.

For further information about Poseidon Nickel Limited, you can obtain a copy of all recent ASX announcements made by Poseidon Nickel Limited at:

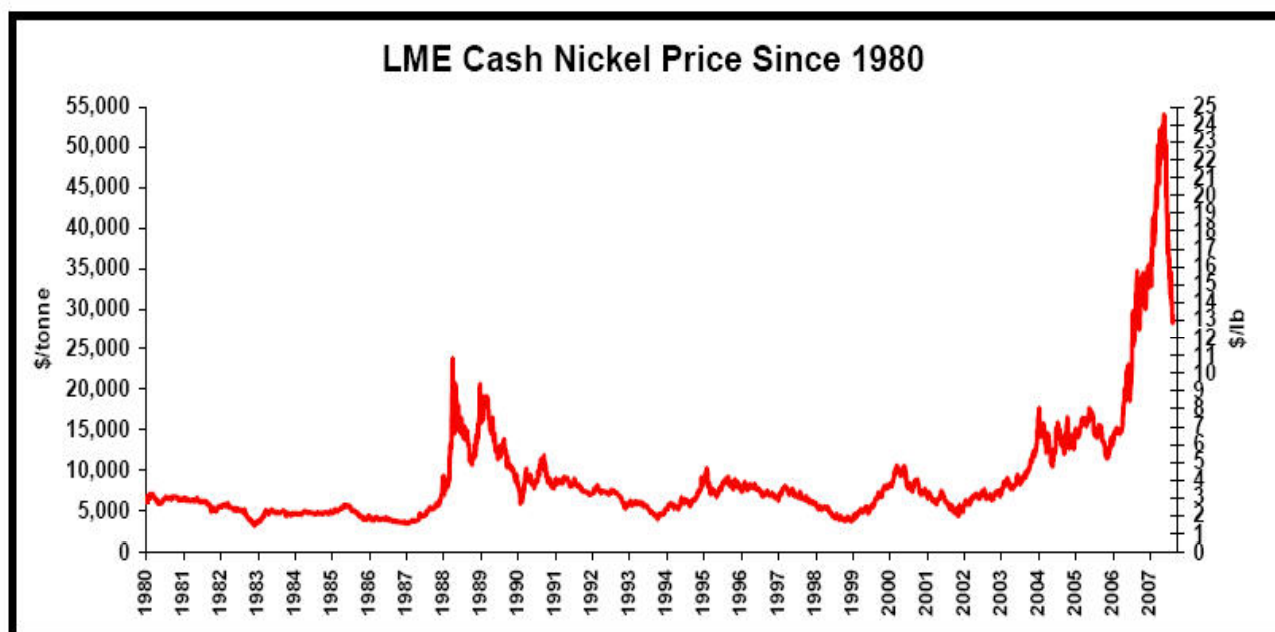
www.poseidon-nickel.com.au

Any person considering an investment in Poseidon Nickel Limited is advised to obtain independent financial advice prior to making an investment decision.

Nickel Market Overview

POSEIDON NICKEL

- Over 80% Nickel goes into steel
- Nickel growth mirrors steel including stainless
 - Worldwide stainless output grew by 4% p.a. from 2005 to 2007
 - China grew stainless production by average 40% p.a. over the same period
- Nickel Prices today remain 4-5 times long term average
 - Consensus above A\$24K for 3 years

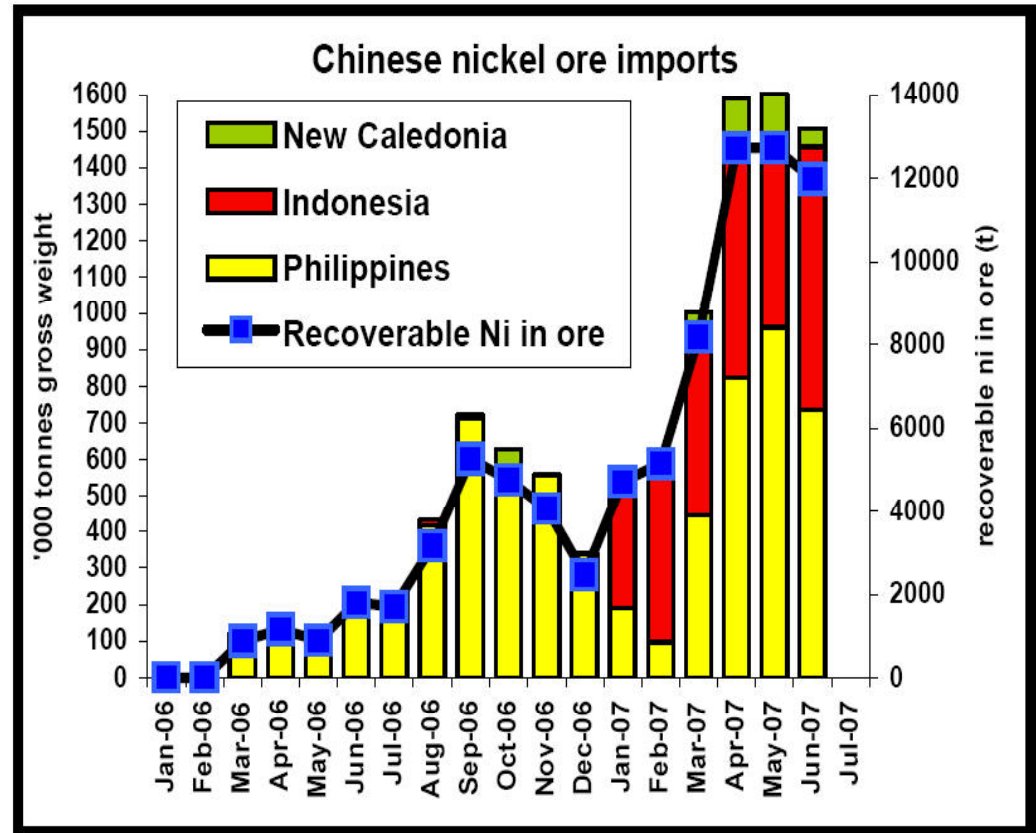


Source: LME, August 2007

Nickel Market Overview

POSEIDON NICKEL

- China has gone from net exporter to importer driving consumption in 2 years
 - Now 25% of world demand
 - Still only 50% per capita of Japan
 - India 10% per capita Japan
 - China will account for 45% of world demand by 2020 plus India
- **90% of Chinese Steel is not re-exported linked to urbanisation & therefore less affected by a US slowdown***



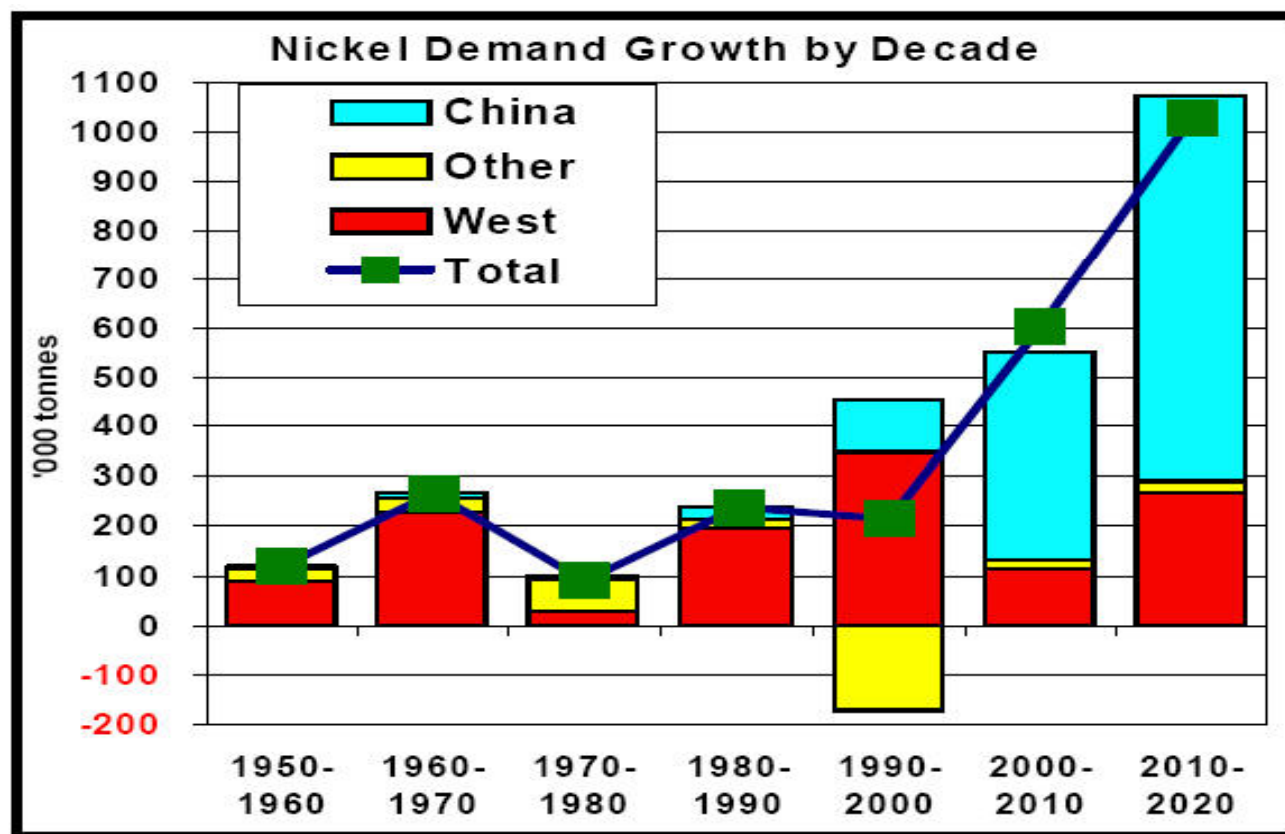
Source: INSG, CRU International, Macquarie Research, August 2007

*Bernstein Research (USA) date 04.04.08.

Nickel Market Overview

POSEIDON NICKEL

- Conservative demand view shows Nickel consumption increasing by 110,000 tonnes Nickel per annum to 2011
 - Estimate assumes Nickel increase at 7% per annum
 - China increased 23% p.a. from 2000 - 2006



Nickel Market Overview

POSEIDON NICKEL

That's 3 Ravensthorpes EVERY YEAR



Windarra – Historic Nickel Producer

POSEIDON NICKEL

- WA nickel boom started here
- Amongst biggest producers in its day at 84,000 tonnes
- 2 Highly Productive Mines
- \$1.80/lb nickel drove closure
 - Today \$14/lb
- Very limited Regional Exploration Drilling by WMC
- Tenement holding now increased from 60 to 426 km²

A Unique Asset

POSEIDON NICKEL

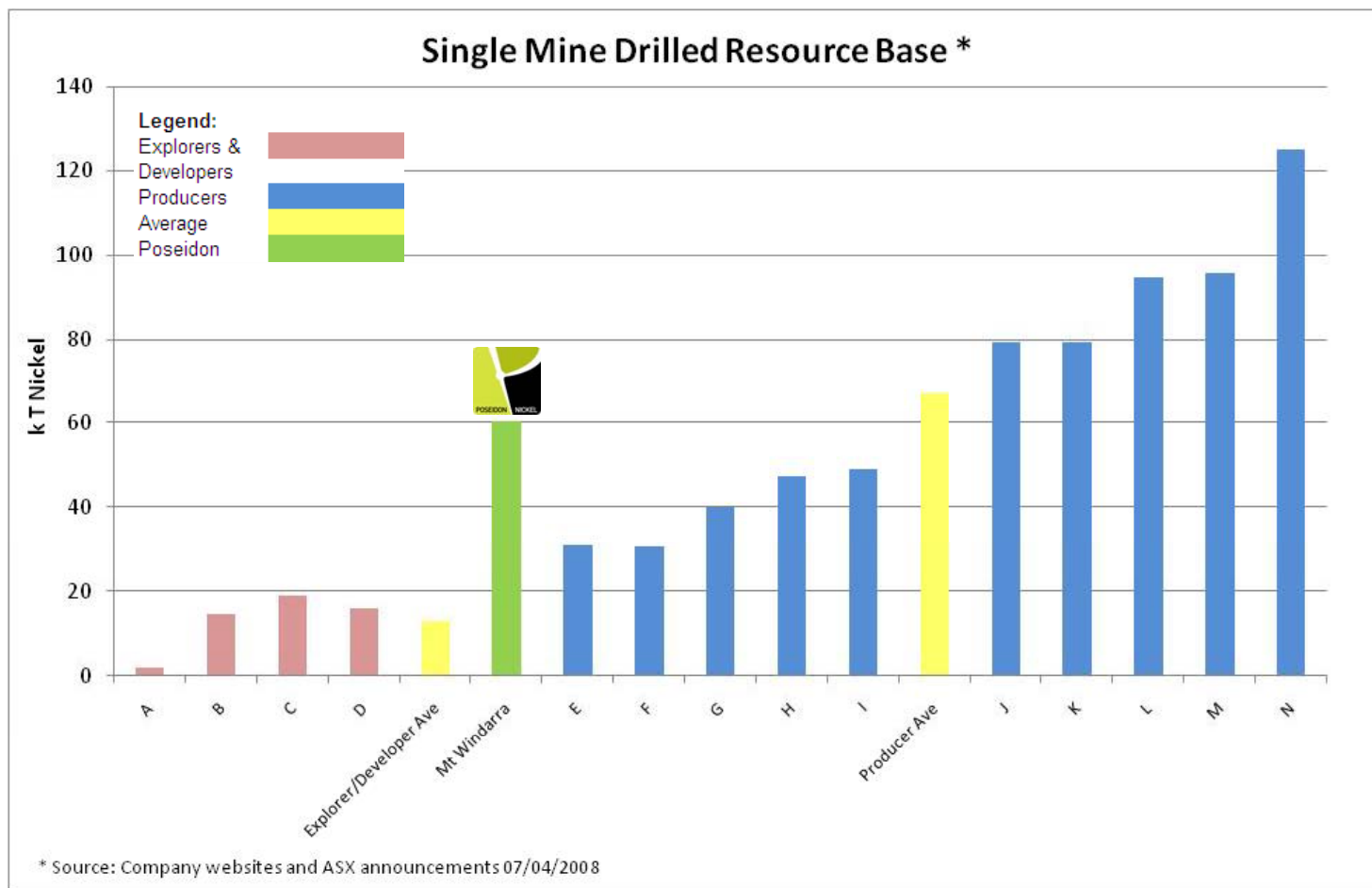
- Resource base is now at 60,000* tonnes nickel current sales value of A\$1.9Bn**
- Expectation of Resource Extension at depth
- Near & Surface Material could add 80% to resource
 - Process testing underway to confirm
- Aiming for minimum 6 year Mine Life

*JORC defined see Company Announcement dated 13.03.08.

** Based on LME nickel price on 08/04/08 of A\$31.3 k/Tonne.

Poseidon's Resource many times other WA developers and in line with producer average

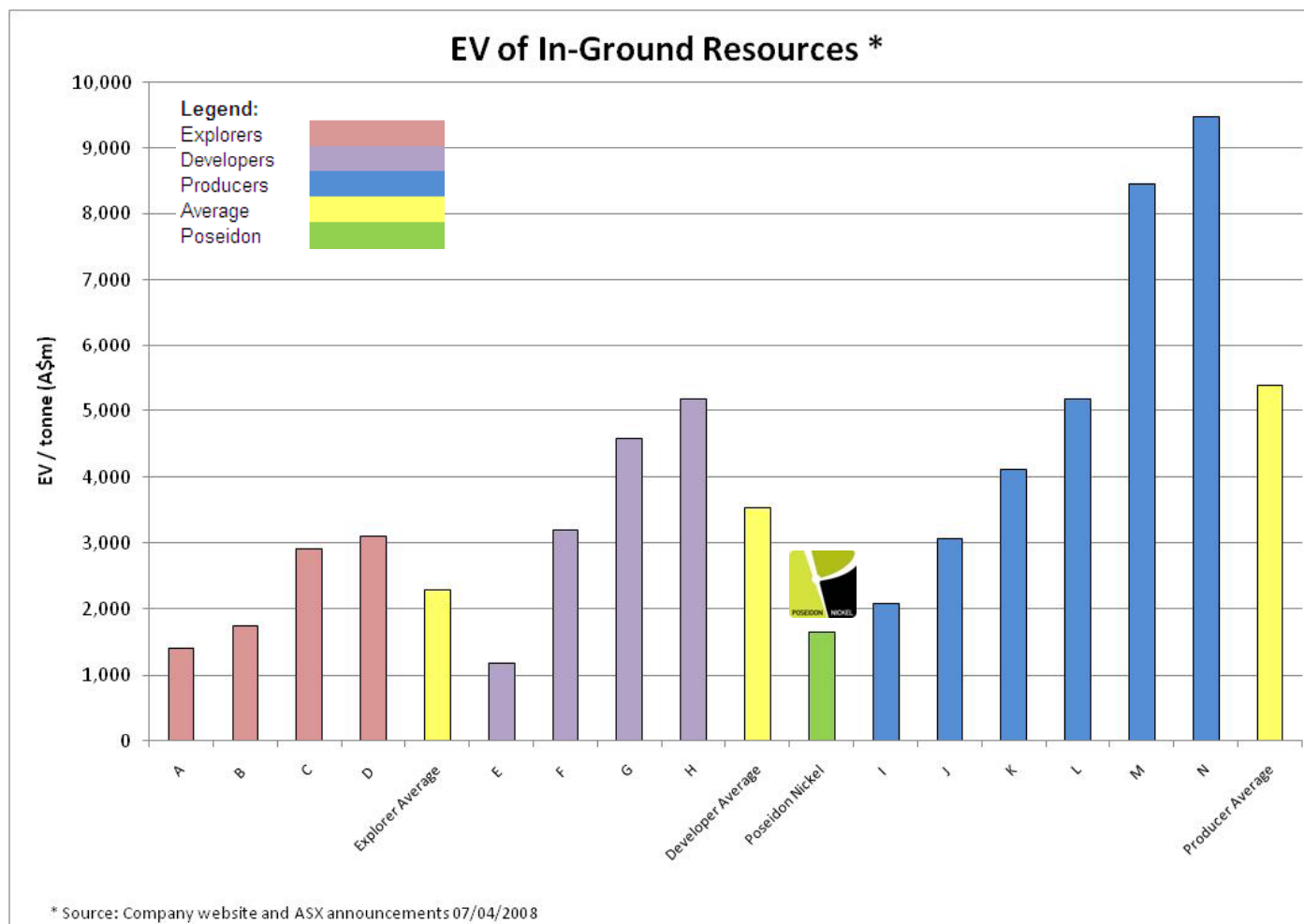
POSEIDON NICKEL



- West Australian peer group companies generally consist of multiple mines
- Graph highlights the drilled resource base per single mine
- Poseidon's Mt Windarra mine is in line with the average of the Producers and several times other West Australian Developers

Poseidon is undervalued compared to Developers on EV/Tonne resource and has significant capital growth potential as a producer

POSEIDON NICKEL

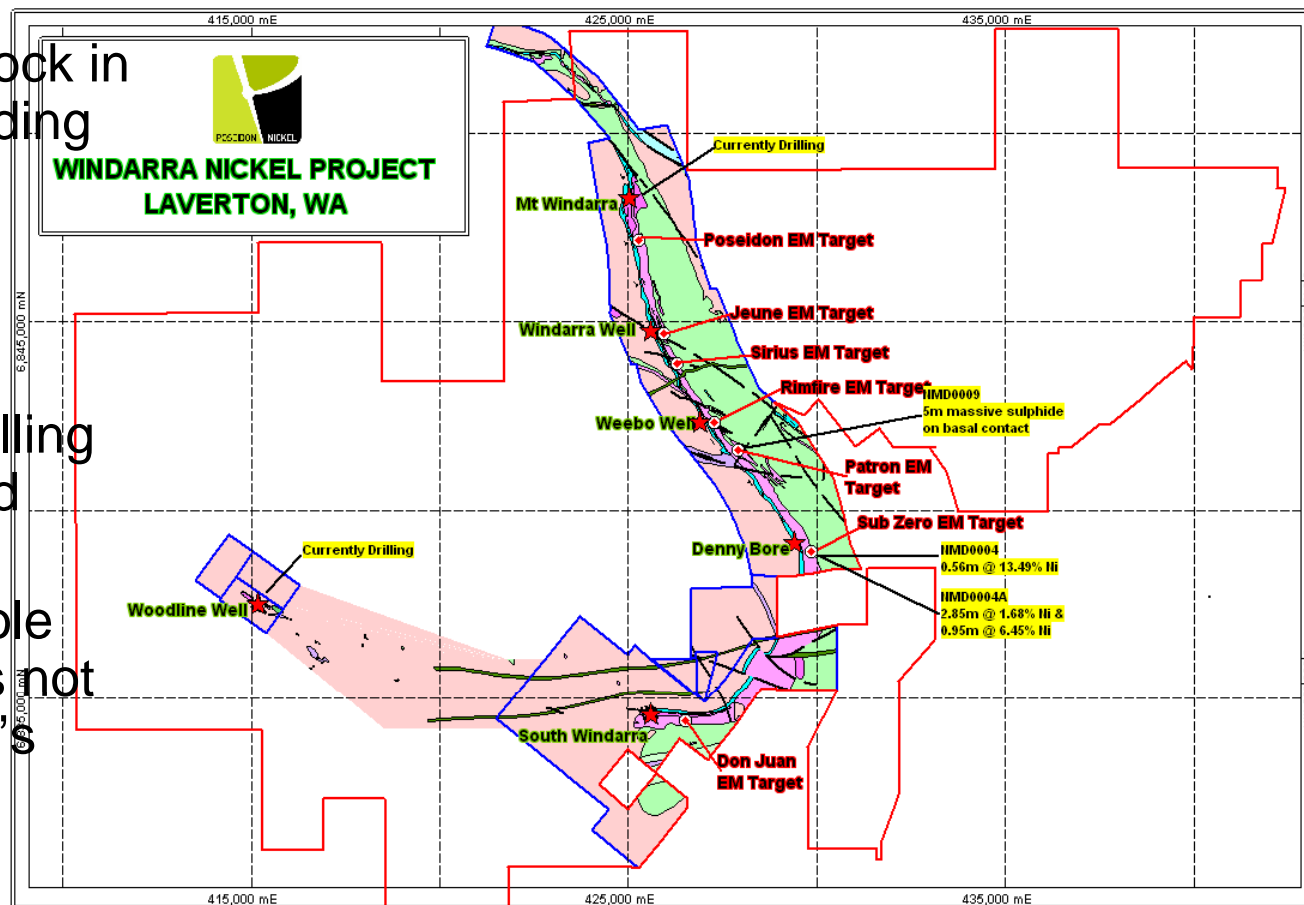


- Compares the EV/tonne of in-ground resources for nickel sulphide Explorers, Developers and Producers
- Poseidon's resource appears undervalued against both the Explorer and Developer average

A Unique Asset – Exploration Potential

POSEIDON NICKEL

- 24kms of Host Rock in 426 km² land holding
- 2 Previous mine operations plus additional drill intercepts
- Limited WMC Drilling from 1 km spaced holes
- Modern Down Hole Electromagnetics not available in 1980's



A Unique Asset

POSEIDON NICKEL

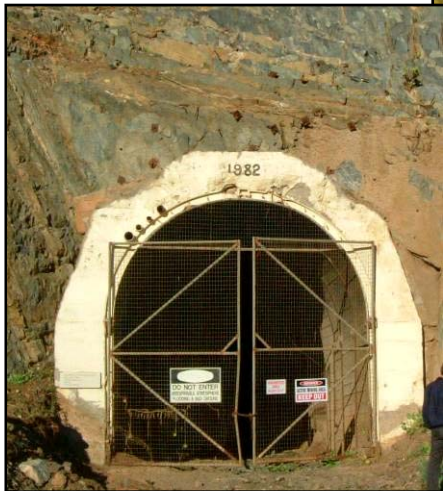
- No mandated Offtake creates potential to produce nickel metal
 - 65% LME for concentrate
 - 100% LME for metal
- Metal potentially doubles profit from in-ground ore
- Peer Group Operating Profitability forecast 52%* in 2010

*Based on Operating Profit / Sales Revenue forecast for 2010 by Paterson Stockbroker published in “Kambalda Nickel Producers” dated 03.09.07. Nickel at US\$8.80/lb.

A Unique Asset

POSEIDON NICKEL

- Infrastructure already in place substantially reduces capital investment & risk



Mine Reopening 19 March 2008

POSEIDON NICKEL

- Scoping Studies & Prefeasibility
- Full Feasibility to 350k tonnes
("Fast Start" facility completes soon)
- Mine site infrastructure refurbished
- Process Development
- Mine Dewatering commenced
- Trial Mine Rehabilitation
- Near mine Resource Drilling
- Underground drilling
- Regional Exploration

✓ Complete

✓ Underway

✓ Complete

✓ Underway

✓ March

✓ Complete

✓ Complete

within 12 mths

✓ Underway



Summary

POSEIDON NICKEL

- Major 60,000k Tonne initial resource base giving potential 6-7 year mine life
- Full feasibility for 350,000 Tonne concentrator nearing completion
- Upside opportunities:
 - Near surface material
 - Underground resource extension
 - Regional Exploration
- Company valued below peers

Windarra Nickel Project

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