

6 November 2009

POSE000R\C249

The Company Announcements Office
ASX Limited
SYDNEY NSW 2000

5 December 2009 Listed Options

Poseidon Nickel Limited has 6,157,904 Listed Options due to expire on 5 December 2009 (ASX Code POSO). The Company has recently applied to the ASX seeking a waiver from the requirement of Listing Rule 6.24 which will allow the Company not to mail out an Option Expiry Notice to the Holders of these Listed Options.

The basis for the application of the waiver was the price differential between the current Share price (27.5 cents as at 5 November 2009) and the Option Exercise price (81 cents).

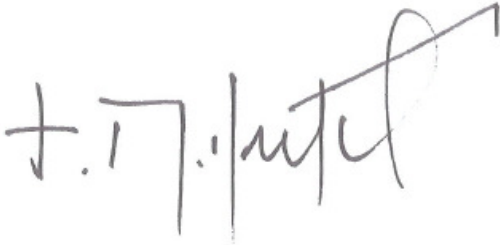
The ASX has granted the waiver subject to the Company providing the following disclosure conditions.

The following information is provided in accordance with Appendix 6A Clause 6 - A company must send a Notice to each Holder of quoted securities at least twenty (20) business days before the expiry date of the Option and the Notice must contain the following information:

1. The Listed Options (POSO) expire at 5.00pm (WST) on Saturday, 5 December 2009
2. The Exercise Price of the Options is 81 cents per Option
3. The due date for payment of the Options is Saturday, 5 December 2009
4. The consequences for Option Holders when they do not exercise their Options by 5 December 2009 is that the Options will lapse with no value and no further entitlement will exist
5. Quotation of the Options will cease at the close of trading on Friday, 27 November 2009
6. The latest available market Share Price on the ASX as at the close of trading on 5 November 2009 was 27.5 cents and
7. During the last twelve (12) months the highest closing Share Price was 55 cents on the 29 July 2009 and the lowest closing Share Price was 16.5 cents on 25 November 2008.

In accordance with the waiver granted by the ASX **Option Exercise Notices will NOT be sent to Option Holders** in regard to the Poseidon Nickel Limited 5 December 2009 Listed Options (POSO) expiring on Saturday, 5 December 2009.

Should the market price of Poseidon Nickel Limited Shares **exceed 60.5 cents** at any time before 5 December 2009, in accordance with the ASX waiver the Company is obligated to immediately send an Option Exercise Notice to Option Holders.

A handwritten signature in black ink, appearing to read 'R. Kestel', with a large, sweeping flourish extending upwards and to the right.

Ross Kestel
Company Secretary