

3 March 2010

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

Dear Sir

Re: TRADING HALT AND COMPLETION OF A PLACEMENT

We enclose herewith a copy of an announcement in relation to the above. The Announcement detailed below brings the Company out of the Trading Halt as requested on 1 March 2010.

Yours faithfully



David P.A. Singleton
Managing Director & CEO

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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
P: 61 8 9323 2000

Principal Office

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

Registered Office

Level 2, Spectrum
100 Railway Road
SUBIACO WA 6008
P: 61 8 9367 8133
F: 61 8 9367 8812

Media Enquiries

Mr Paul Downie
FD Third Person
P: 61 8 9386 1233 M: 0414 947 129
E: paul.downie@fdthirdperson.com.au

Home Exchange

The Company's shares are listed on the Australian Stock Exchange and the home exchange is Perth ASX code: POS

ASX Announcement

3 March 2010

Trading Halt and Completion of a Placement

Poseidon Nickel Limited (“Poseidon” or “the Company”) is pleased to advise that it has received funding commitments of up to A\$2 million through the issue of 8,000,000 shares at an issue price of A\$0.25 per share. The Placement is being undertaken within the Company’s 15% placement capacity.

The Placement Shares will be issued to a number of professional and sophisticated investors and Poseidon is extremely pleased with the support it has received. This limited interim raising will be utilised by the Company to continue evaluation of its current projects and to provide working capital.

Poseidon is in negotiation with other interested parties in the US and Asia relating to further substantial funding. However, the negotiations on the terms of the proposed funding facility are preliminary and incomplete.