

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

|                       |                                |
|-----------------------|--------------------------------|
| <b>Name of entity</b> | <b>Poseidon Nickel Limited</b> |
| <b>ACN</b>            | <b>060 525 206</b>             |

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                            |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Fully Paid Ordinary Shares                                                                                                 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 8,000,000                                                                                                                  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)                                                                                                                                                                                                                                                                                                                 | Fully Paid Shares Rank equally                                                                                             |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br><ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | The 8,000,000 Fully Paid Ordinary Shares to be issued will rank equally with existing Fully Paid Ordinary Shares on issue. |
| 5 | Issue price or consideration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$0.25                                                                                                                     |

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+ See chapter 19 for defined terms.

| 6 Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets)   | Share Placement to Professional and Sophisticated investors. The Company will use the limited interim funds to continue evaluation of its current projects and for working capital.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------|-----------|-------------------------------|-----------|-------------------------------|-------------|------------------------------------|---------|-------------------------------------------|-----------|---------------------------------|------------|-----------------------------|---------|-------------------------------|--|
| 7 Dates of entering +securities into uncertificated holdings or despatch of certificates                              | 10 March 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 8 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)     | <table border="1"> <thead> <tr> <th data-bbox="778 515 989 560">Number</th> <th data-bbox="989 515 1388 560">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="778 560 989 616">170,824,823</td> <td data-bbox="989 560 1388 616">Ordinary fully paid shares</td> </tr> <tr> <td data-bbox="778 616 989 694">6,157,403</td> <td data-bbox="989 616 1388 694">05 December 2011 Options</td> </tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Number | +Class                                                                           | 170,824,823 | Ordinary fully paid shares                                                       | 6,157,403 | 05 December 2011 Options      |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| Number                                                                                                                | +Class                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 170,824,823                                                                                                           | Ordinary fully paid shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 6,157,403                                                                                                             | 05 December 2011 Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 9 Number and +class of all +securities not quoted on ASX ( <i>including</i> the securities in clause 2 if applicable) | <table border="1"> <tbody> <tr> <td data-bbox="778 694 989 828">50,000</td> <td data-bbox="989 694 1388 828">Partly Paid Shares Issued at \$0.102 and paid to \$0.002 (leaving \$0.10 to pay)</td> </tr> <tr> <td data-bbox="778 828 989 940">5,517,200</td> <td data-bbox="989 828 1388 940">Partly Paid Shares Issued at \$0.102 and paid to \$0.062 (leaving \$0.04 to pay)</td> </tr> <tr> <td data-bbox="778 940 989 996">1,000,000</td> <td data-bbox="989 940 1388 996">2 July 2011 Incentive Options</td> </tr> <tr> <td data-bbox="778 996 989 1052">2,500,000</td> <td data-bbox="989 996 1388 1052">31 July 2012 Unlisted Options</td> </tr> <tr> <td data-bbox="778 1052 989 1153">115,000,000</td> <td data-bbox="989 1052 1388 1153">19 September 2012 Unlisted Options</td> </tr> <tr> <td data-bbox="778 1153 989 1243">533,000</td> <td data-bbox="989 1153 1388 1243">22 October 2012 Unlisted Employee Options</td> </tr> <tr> <td data-bbox="778 1243 989 1332">2,000,000</td> <td data-bbox="989 1243 1388 1332">December 2012 Incentive Options</td> </tr> <tr> <td data-bbox="778 1332 989 1400">15,906,681</td> <td data-bbox="989 1332 1388 1400">Unsecured Convertible Notes</td> </tr> <tr> <td data-bbox="778 1400 989 1478">313,131</td> <td data-bbox="989 1400 1388 1478">Special Bonus Employee Shares</td> </tr> </tbody> </table> | 50,000 | Partly Paid Shares Issued at \$0.102 and paid to \$0.002 (leaving \$0.10 to pay) | 5,517,200   | Partly Paid Shares Issued at \$0.102 and paid to \$0.062 (leaving \$0.04 to pay) | 1,000,000 | 2 July 2011 Incentive Options | 2,500,000 | 31 July 2012 Unlisted Options | 115,000,000 | 19 September 2012 Unlisted Options | 533,000 | 22 October 2012 Unlisted Employee Options | 2,000,000 | December 2012 Incentive Options | 15,906,681 | Unsecured Convertible Notes | 313,131 | Special Bonus Employee Shares |  |
| 50,000                                                                                                                | Partly Paid Shares Issued at \$0.102 and paid to \$0.002 (leaving \$0.10 to pay)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 5,517,200                                                                                                             | Partly Paid Shares Issued at \$0.102 and paid to \$0.062 (leaving \$0.04 to pay)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 1,000,000                                                                                                             | 2 July 2011 Incentive Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 2,500,000                                                                                                             | 31 July 2012 Unlisted Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 115,000,000                                                                                                           | 19 September 2012 Unlisted Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 533,000                                                                                                               | 22 October 2012 Unlisted Employee Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 2,000,000                                                                                                             | December 2012 Incentive Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 15,906,681                                                                                                            | Unsecured Convertible Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 313,131                                                                                                               | Special Bonus Employee Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)                 | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        |                                                                                  |             |                                                                                  |           |                               |           |                               |             |                                    |         |                                           |           |                                 |            |                             |         |                               |  |

## Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 are not applicable.

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Questions 35 to 42 not applicable

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

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+ See chapter 19 for defined terms.

Sign here:

A handwritten signature in black ink, appearing to read 'R. Kestel', written over a horizontal line.

Date: 8 March 2010

Print name: **Ross Kestel**  
**Company Secretary**

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