

# 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  | 5,352,662  |
| 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 Fully Paid Ordinary Shares to be issued will rank equally with existing Fully Paid Ordinary Shares on issue. |
| 5 | Issue price or consideration   | Issued at \$0.102 and balance of payments \$0.10; and \$0.2864   |

+ See chapter 19 for defined terms.

6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<u>5,142,200 Shares</u> Payment of balance of Partly Paid Shares to convert to Fully Paid Ordinary Shares; and  <u>210,462 Shares</u> Issue of Shares to Directors in lieu of Fees for March 2010 quarter; as approved by Shareholders at the November 2009 Annual General Meeting																			
7 Dates of entering +securities into uncertificated holdings or despatch of certificates	28 April 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="791 667 986 701">Number</th> <th data-bbox="995 667 1382 701">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="791 712 986 745">176,177,485</td> <td data-bbox="995 712 1382 745">Ordinary fully paid shares</td> </tr> <tr> <td data-bbox="791 757 986 790">6,157,403</td> <td data-bbox="995 757 1382 790">05 December 2011 Options</td> </tr> </tbody> </table>	Number	+Class	176,177,485	Ordinary fully paid shares	6,157,403	05 December 2011 Options													
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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="791 853 986 887">50,000</td> <td data-bbox="995 853 1382 943">Partly Paid Shares Issued at \$0.102 and paid to \$0.002 (leaving \$0.10 to pay)</td> </tr> <tr> <td data-bbox="791 976 986 1010">375,000</td> <td data-bbox="995 976 1382 1066">Partly Paid Shares Issued at \$0.102 and paid to \$0.082 (leaving \$0.02 to pay)</td> </tr> <tr> <td data-bbox="791 1099 986 1133">1,000,000</td> <td data-bbox="995 1099 1382 1133">2 July 2011 Incentive Options</td> </tr> <tr> <td data-bbox="791 1167 986 1200">2,500,000</td> <td data-bbox="995 1167 1382 1200">31 July 2012 Unlisted Options</td> </tr> <tr> <td data-bbox="791 1234 986 1267">115,000,000</td> <td data-bbox="995 1234 1382 1290">19 September 2012 Unlisted Options</td> </tr> <tr> <td data-bbox="791 1323 986 1357">533,000</td> <td data-bbox="995 1323 1382 1379">22 October 2012 Unlisted Employee Options</td> </tr> <tr> <td data-bbox="791 1413 986 1447">2,000,000</td> <td data-bbox="995 1413 1382 1469">December 2012 Incentive Options</td> </tr> <tr> <td data-bbox="791 1503 986 1536">15,906,681</td> <td data-bbox="995 1503 1382 1536">Unsecured Convertible Notes</td> </tr> <tr> <td data-bbox="791 1570 986 1603">313,131</td> <td data-bbox="995 1570 1382 1615">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)	375,000	Partly Paid Shares Issued at \$0.102 and paid to \$0.082 (leaving \$0.02 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	
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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.

+ 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: 28 April 2010

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

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