

23<sup>rd</sup> February 2011

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

Dear Sir

**Re: EXTRAORDINARY GENERAL MEETING TO APPROVE US\$20M FUNDING**

We enclose herewith a copy of an announcement 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  
P: 61 8 9382 8799  
F: 61 8 9382 4760

E: [admin@poseidon-nickel.com.au](mailto: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@fd.com.au](mailto:paul.downie@fd.com.au)

**Home Exchange**

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

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ASX Announcement

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**Extraordinary General Meeting to approve US\$20m Funding**

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Poseidon Nickel is pleased to announce that it will today dispatch the Notice of Meeting and other materials required for an Extraordinary General Meeting (EGM) to approve the proposed US\$20,000,000 investment by Harbinger Capital Partners. Poseidon announced the funding in late December 2010 and the EGM will now be held on 28<sup>th</sup> March 2011. The terms of the investment are:

- US\$20M Convertible Notes
- Unsecured
- 6 year term
- Notes are convertible by Harbinger into fully paid ordinary Shares at AUD\$0.30 per share
- Coupon of 0% for 3 years and 5% thereafter

Ernst & Young in Perth were commissioned to provide an Independent Expert's Report on the transaction for Shareholders. The report is available on the Company's website at [http://www.poseidon-nickel.com.au/documents/Poseidon-IER-Final\\_210111.pdf](http://www.poseidon-nickel.com.au/documents/Poseidon-IER-Final_210111.pdf) together with the Notice of Meeting <http://www.poseidon-nickel.com.au/documents/a101b-Notice-of-General-Meeting-March-2011.pdf>

The Company intends to use the funding as follows:-

- Complete the de-water and refurbishment works at the Mt Windarra nickel mine commencing in the first quarter of 2011;
- Significantly expand the drilling program at Mt Windarra, Cerberus and the South Windarra prospects to increase resources and reserves; and
- Pursue the proposed concentrator funding.

ENDS