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BOARD REORGANISATION

(This Announcement Releases the Company from the Trading Halt)

Poseidon Nickel is pleased to announce the reorganisation of the company's Board of Directors.

The Board has elected Mr H.E. "Bud" Scruggs as its new Chairman. Bud has served as Andrew Forrest's alternate on the Board since September, 2012 and was previously the CEO of The Metal Group, then the private holding company of the business interests of Andrew & Nicola Forrest and COO of the Australian Children's Trust, which was the principal philanthropic entity of the Forrest family. He is currently a non-executive director for Fortescue Metals Group (FMG) and works in the US as an expert in business leadership, corporate recoveries and step change business improvement. He has deep and current experience in the US capital markets which Poseidon views as key component in the final funding into production of the Windarra Nickel Project.

In addition to other civic and business roles, Bud worked for Leucadia National Corporation (NYSE: LUK) from 1995 to 2007, where he was president of Leucadia Asset Management Group. He was instrumental in Leucadia's original decision to invest alongside Andrew Forrest in Fortescue. Leucadia has now merged with Jefferies Bank LLC which holds convertible notes issued by Poseidon.


The Board of Poseidon wishes to thank Andrew Forrest for his considerable vision, leadership and enthusiasm in getting Poseidon to a position of being almost unique in the world as a new, production ready, Nickel Sulphide project. The Board recognises that Andrew's absolute commitment to his philanthropic activities is incompatible with the next stage of Poseidon's development and would like to express its support for what he is now achieving.

The Board also thanks Andrew for the expression of his ongoing support of the Company and the extension of the \$8m loan from Forrest Family Investments.

Richard Monti has resigned as a Non-Executive Director. The Board wishes to thank Richard for his technical insights and support to Poseidon's geological team particularly during the company's exploration activities which have, through their outstanding success, helped to bring the company to its current position.

The Boards priority focus remains the final financing of the Windarra Nickel Project to which it remains fully committed.

Yours faithfully

A handwritten signature in black ink, appearing to read 'R. Kestel', with a large, sweeping flourish extending from the end of the signature.

Ross Kestel
Company Secretary