

**Form 603**

Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme **Poseidon Nickel Limited (Poseidon Nickel)**

ACN/ARSN **060 525 206**

**1. Details of substantial holder (1)**

Name **Jefferies, LLC, (Jefferies) and each of the entities listed in Annexure "A" (Leucadia National Group Entity)**

ACN/ARSN (if applicable) **Not applicable**

The holder became a substantial holder on **30 June 2017**

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interest in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	55,496,510	55,496,510	6.0% (based on 925,071,644 ordinary shares on issue)

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Jefferies, LLC	Relevant interest under section 608(1) of the Corporations Act 2001, being a relevant interest arising through Jefferies being the registered holder of the shares. Issue of ordinary shares in payment of interest outstanding in respect of convertible note (See Annexure "B" for further details.)	55,496,510 ordinary shares
Each Leucadia National Group Entity	Relevant interest under section 608(3)(a) and/or section 608(3)(b) of the Corporations Act 2001, being a relevant interest held through a body corporate (Jefferies) in which the voting power of the relevant Leucadia National Group Entity is more than 20% or which the relevant Leucadia National Group Entity controls.	55,496,510 ordinary shares

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Jefferies and each Leucadia National Group Entity	Jefferies	Jefferies	55,496,510 ordinary shares

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Jefferies and each Leucadia National Group Entity	30 June 2017		Issue of ordinary shares in payment of interest outstanding in respect of convertible note.	13,371,229 ordinary shares
Jefferies and each Leucadia National Group Entity	31 March 2017		Issue of ordinary shares in payment of interest outstanding in respect of convertible note.	6,662,794 ordinary shares

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Jefferies and each Leucadia National Group Entity	These entities are all associates of each other by virtue of section 12(2)(a) of the Corporations Act 2001 as the entities are related bodies corporate of each other.

**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
Jefferies and each Leucadia National Group Entity	520 Madison Avenue New York, New York 10022 USA

**Signature**

print name Justin DeSpirito

capacity

Authorised signatory

sign here



date 30 June 2017

**DIRECTIONS**

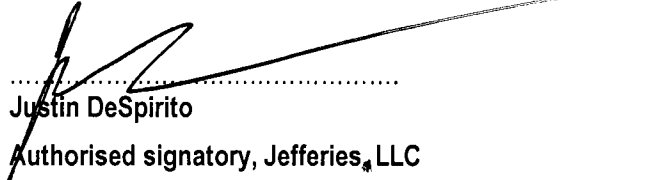
- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

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**Annexure “A” – Leucadia National Group Entity**

This is Annexure “A” of 1 page referred to in the Form 603 (Notice of Initial Substantial Holder), signed by me and dated 30 June 2017



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Justin DeSpirito  
Authorised signatory, Jefferies, LLC

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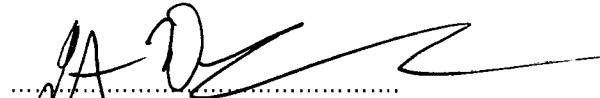
**Leucadia National Group Entities**

ENTITY	Company/partnership Number
Jefferies Group, LLC	N/A
Limestone Merger Sub, LLC	N/A
Leucadia National Corporation	N/A

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**Annexure "B" – Convertible Note Certificate**

This is Annexure "B" of 2 pages referred to in the Form 603 (Notice of Initial Substantial Holder), signed by me and dated 30 June 2017.



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Justin DeSpirito  
Authorised signatory, Jefferies, LLC

**CONVERTIBLE NOTE CERTIFICATE**

**POSEIDON NICKEL LIMITED  
(ABN 60 060 525 206)**

Issuer:	Poseidon Nickel Limited ("POS")
of:	Unit 8, Churchill Court 331-335 Hay Street Subiaco Western Australia 6008 Attention: Company Secretary Phone: (+618) 6167 6600
Register:	Western Australia
Holder:	Jefferies, LLC and any subsequent holder of all or part of this Convertible Note
of:	Care of: Jefferies, LLC; 520 Madison Avenue New York, NY 10022 Attention: General Counsel Email: jhallac@leucadia.com
Convertible Note:	This certificate certifies that the Holder is, from the Date of Issue, the holder of a USD\$17.5M Convertible Note in POS on the terms and conditions specified in this Document.
Principal Amount:	USD\$17.5M less any amounts deemed to be satisfied and repaid by Conversion.
Conversion Price:	AUD\$0.09 (as adjusted in accordance with this Document and Schedule 1 of this Document)
Date of Issue:	3 Business Days after satisfaction of the condition precedent set out in clause 2 (or such other date as is agreed between the Parties)
Maturity Date:	30 September 2020 or an earlier date on which the Convertible Note is due and payable under clause 17.
Interest Rate:	5% per annum – for the period commencing on the Date of Issue and expiring on the Maturity Date
Conversion	At any time after the Date of Issue, in whole or in part, subject to and conditional upon compliance with applicable Australian laws
Date of this Document:	3 <sup>rd</sup> November 2015