

1 December 2020

CLOSE OF LESS THAN MARKETABLE PARCEL SHARE SALE FACILITY

Poseidon Nickel Limited (ASX:POS) (“Poseidon” or “the Company”) announces that the period for returning share retention forms under the share sale facility (“**Facility**”) established for holders of less than a marketable parcel of Poseidon shares closed on 26 November 2020. Please see Poseidon’s ASX announcement dated 7 October 2020 for further information about the Facility.

A marketable parcel of shares is defined in the ASX listing rules as a parcel of share that has a market value of not less than \$500. Based on the closing price on ASX on 6 October 2020 of \$0.053 per Poseidon Share, a Less Than a Marketable Parcel of Poseidon Share was any holding of 9,433 Poseidon Shares or fewer. As at the record date, there was 4,086 holdings of Poseidon Shares of Less Than a Marketable Parcel (from a total of 9,235 holdings), totalling 9,916,806 Poseidon Shares and constituting approximately 0.38% of the 2,642,701,831 total Poseidon Shares on issue.

The final number of Poseidon shares to be sold under the Facility is 7,397,196 Poseidon shares from 3,389 shareholders. The close of the Facility will reduce the number of Poseidon shareholders to approximately 6,300 and will reduce Poseidon’s administrative costs associated with maintaining a large number of relatively small holdings on its share register.

The price of Poseidon shares have appreciated since the announcement of the Facility on 7 October 2020 and consequently the shares sold under the Facility by Poseidon’s broker are expected to be sold for a higher price than anticipated, subject to prevailing market conditions and available liquidity. The sale of Poseidon shares under the Facility will be conducted as soon as practicable and relevant participants will receive the proceeds of the sale as soon as practicable after the sale of all Poseidon shares under the Facility. Participants will receive a proportionate share of the total sale of proceeds of Poseidon shares sold under the Facility.

Poseidon will update the market on completion of the sale of all Poseidon under the Facility.

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This announcement was approved for release by Poseidon’s Managing Director, Peter Harold.