

22 March 2018
POSECORIASXASX197

ASX Market Announcements
Company Announcements Office
ASX Limited
SYDNEY NSW 2000

Company Update

As recently announced, Poseidon Nickel Limited (the **Company**) has requested that ASX impose a voluntary suspension of trading in its securities.

The Company has become aware that a number of share issues made over the past few years were not accompanied by the issue of a cleansing notice or cleansing prospectus so as to permit immediate trading of these shares.

Whilst it has received no related complaints, the Company is taking all necessary steps to rectify any such breaches on an expedited basis and will shortly lodge a cleansing prospectus under section 708A(11) of the Corporations Act 2001 (Cth) (**Act**) to cleanse all such shares so that subsequent trading is not subject to secondary trading restrictions under the Act.

Once the cleansing prospectus is lodged, the Company will file an application with the Federal Court of Australia seeking declaratory relief and ancillary orders relating to prior trading in these shares, so that on-sale prior to the issue of this Prospectus will be validated and will not attract any civil liability. The Company understands that there are reasonable prospects that the validating orders will be made.

The ASX has advised that the Company's securities will not be reinstated to trading until such time as orders are made by the Federal Court of Australia.

The Company will continue to update the market with any developments including the hearing date following lodgement of the Federal Court application.

For and on behalf of the Board of Poseidon Nickel Limited

Eryn Kestel
Company Secretary