

QUARTERLY REPORT

30 JUNE 2018

COMPANY OVERVIEW

Poseidon Nickel Limited is an ASX listed company focussed on developing its nickel assets in Western Australia. The Company has two nickel sulphide concentrators and six independent mines, all located within a 300km radius from Kalgoorlie in the Goldfields region of Western Australia. Poseidon has the second largest nickel sulphide concentrator and associated JORC compliant nickel sulphide resource within Australia.

HIGHLIGHTS

- Strategy for the Black Swan - Silver Swan restart developed following completion of a Feasibility study
- Trading recommenced following the successful completion of the Federal Court case
- Detailed planning for further drilling at Abi Rose and underground at Silver Swan in progress
- Rob Dennis announced as Poseidon's CEO commencing 1 August 2018

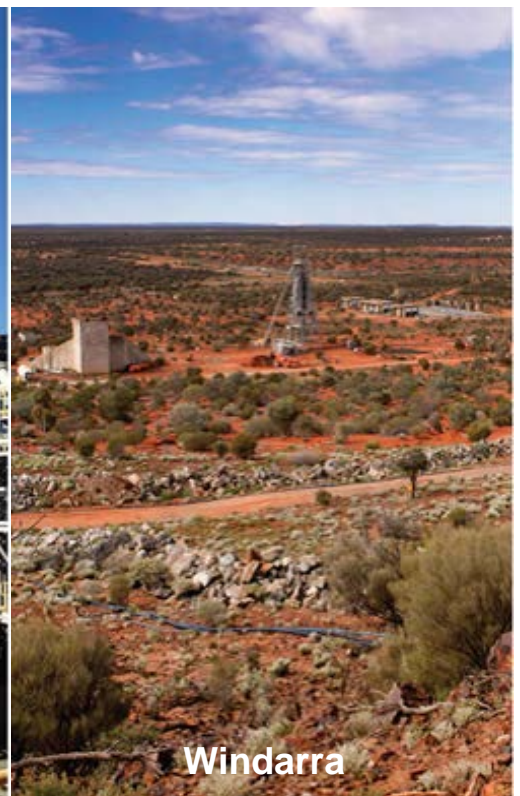
ASX Code: POS



Lake Johnston



Black Swan



Windarra

COMPANY MILESTONES

- **Feasibility study for the restart of Silver Swan and Black Swan completed**
- **Underground Mining Contractor Competitive Tender Process Completed**
- **Off-take discussions with refiners and traders progressing for Silver Swan & Black Swan product**
- **All regulatory approvals for the restart of Silver Swan secured**
- **Black Swan Concentrator Refurbishment Study completed**

OVERVIEW

Completion of the Silver Swan underground feasibility study and the Black Swan concentrator refurbishment investigation has firmed up the Poseidon's strategy to commence work to restart both the Silver Swan underground operation and the Black Swan concentrator in the coming months, subject to funding and Board approval.

Successful return to an operational status for Black Swan and Silver Swan will provide a platform for the redevelopment of both Lake Johnston and Windarra.

In parallel, exploration drilling will be commenced at both the Black Swan and Silver Swan underground deposits and at Abi Rose at Lake Johnston.

BLACK SWAN – SILVER SWAN INTEGRATED STARTUP

Subject to Board approval, the Strategy for the restart of the combined Black Swan – Silver Swan operation is supported by the following key opportunities:

- Existing Silver Swan underground mine which remains dewatered and requires limited refurbishment
- Existing Black Swan open pit with unmined reserves immediately accessible (subject to limited dewatering)
- Large processing plant & infrastructure
- Demonstrated concentrate quality from previous history
- Skilled local workforce in Kalgoorlie
- All approvals secured
- Combined resource ~192kt nickel
- ~8kt of nickel metal in surface stockpiled

Poseidon considers the restart of the operation is low risk and the key project metrics are summarized below in Table 1.

Key Production Physicals	
Life of Mine (LOM) (yrs)	~3.1
Ore Tonnes Mined (kt)	1,700
Ore Tonnes Delivered (tpy)	1,000,000
ROM diluted nickel head grade (%)	0.75
Nickel metal (kt)	23.2
Project Commercial Metrics	
Revenue ¹ (A\$m)	\$288.60
C1 Cash Costs ² US\$/lb-Ni	\$3.18
AISC Cash Costs ³ US\$/lb-Ni (payable basis)	\$3.65
Breakeven Nickel Price US\$/lb-Ni	\$5.10
Max Cash Drawdown (A\$m)	\$39.50
Net Cash Flow (A\$m)	\$60.20
Pre-Tax NPV ₁₀ (A\$m)	\$43.60

Table 1: Black Swan/Silver Swan Start-up Key Project Metrics

¹ Unless otherwise stated, all cash flows are in Australian dollars and not subject to inflation or escalation factors. A nickel price of US\$7.70/lb has been assumed and an exchange rate of AUD:USD of 0.76.

² C1 cash costs means operating cash costs including mining, processing, geology, OHSE, site G&A, concentrate transport, royalties, less by-product divided by nickel in concentrate produced (100% payable basis).

³ All-in-sustaining cash costs are C1 cash costs plus mine development and sustaining capital. Excludes once off preproduction capital.

In addition to the necessary grade control drilling, expiration drilling will be commenced to unlock further potential resources at depth at Silver Swan and below the Black Swan pit.

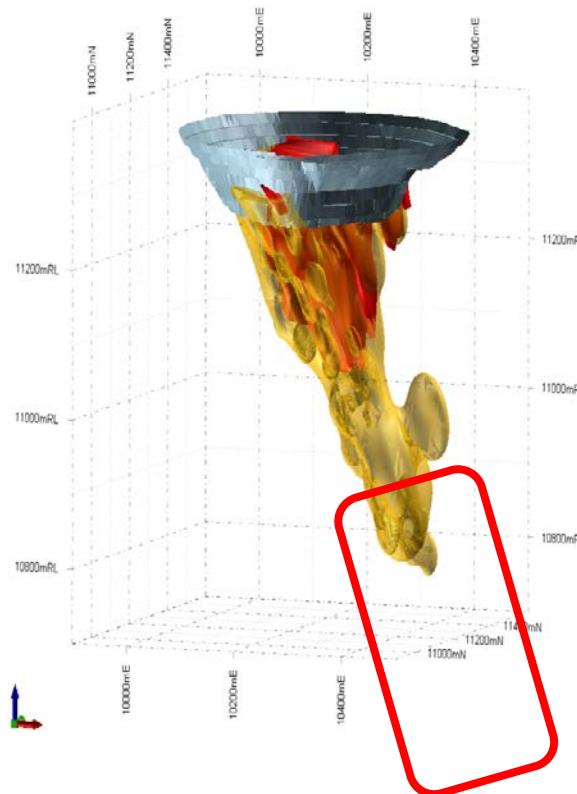


Figure 1: Black Swan Pit resource extension opportunities

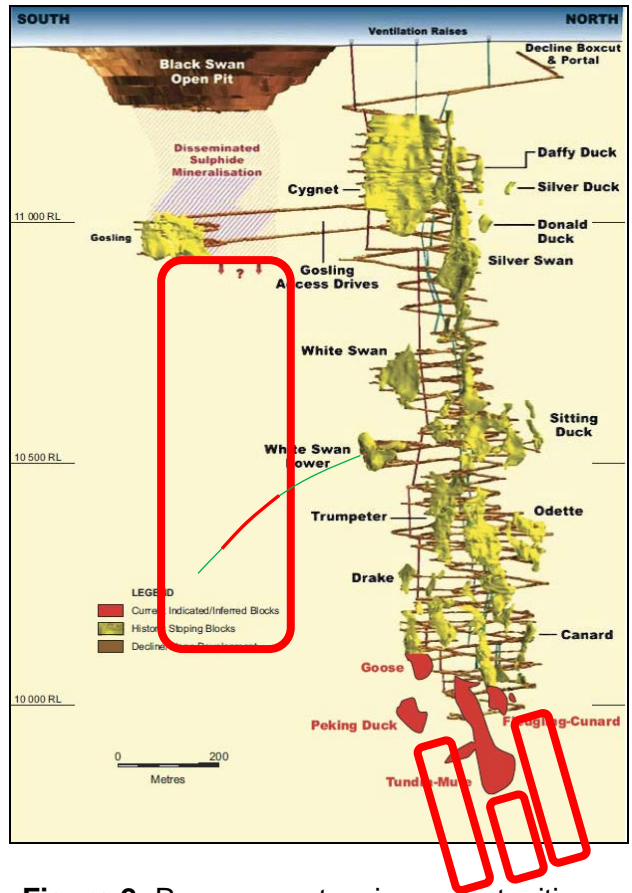


Figure 2: Resource extension opportunities

LAKE JOHNSTON UPDATE

The Emily Ann Mine, Maggie Hays Mine and Lake Johnston infrastructure remain on care and maintenance.

LAKE JOHNSTON NICKEL EXPLORATION

Poseidon submitted a POW to DMIRS and has received approval to commence drilling at the high grade Abi Rose nickel discovery north of the historic Emily Ann Nickel Mine at Lake Johnston.

Abi Rose was discovered in early 2016 during the nickel downturn and received little reception from the market (ASX: Significant High Grade Nickel Intersection at Emily Ann North, 25/1/2016 & Successful Drilling Programme Finalised at Emily Ann North 21/3/2016). Further drilling plans were shelved at the time, however, with the new resurgence of interest in nickel, the Board is supportive of recommencing exploration drilling at Abi Rose to explore the extensions to the mineralisation and better understand the geological controls.

Hole ID	From_m	To_m	Width	Ni Grade	Details
PLJD0001	435.39	435.58	0.19	10.20%	Remobilised massive sulphide in felsics
PLJD0002	432.00	442.48	10.48	3.20%	Felsic, ultramafic and remobilised sulphide in hw & fw
incl	435.69	441.41	5.72	4.66%	Mineralised Ultramafic Interval
incl	439.09	441.41	2.32	7.62%	Lower Massive Zone
incl	440.12	441.41	1.29	10.22%	High Grade base
PLJD0003	446.10	447.23	1.13	3.35%	Massive sulphides in felsics
incl	446.10	446.36	0.26	8.67%	Remobilised massive sulphides
	449.00	449.62	0.62	1.75%	Stringer and disseminated sulphides

Table 2: Nickel Sulphide Intersection Summary

The initial drilling program will comprise 3 diamond core drill holes for ~1500m with a contingency of another 3 drill holes comprising 1800m should the first holes be successful. Tenders have been received from several drilling companies and the quotations are currently being reviewed prior to the Board approving the commencement of the drilling program.

WINDARRA NICKEL PROJECT

The Windarra mine and infrastructure remains on care and maintenance. The ore resources at Windarra and Cerberus totaling 148,500 tonnes of nickel remains significant to the longer term planning for Poseidon.

Poseidon remains in active discussion with the Government in respect to the State Act over the Windarra tenements.

FINANCIAL

As at 30 June 2018, the Company had cash on hand of A\$2.05 million. For the June quarter, the Company has elected to settle the interest due to Jefferies LLC for the Convertible Note in shares in order to preserve cash reserves.

CORPORATE

It was announced on 23 July 2018 that Mr Rob Dennis has been appointed CEO of Poseidon Nickel commencing 1 August 2018. The Company believes that Rob's extensive experience in the development and commission of mining projects make him ideally suited to the next phase of Poseidon's development.

The Company remained in voluntary suspension from trading on the ASX for the June quarter and announced on 14 May 2018 that it had applied to the Federal Court for validation orders in relation to secondary trading in shares issued by the Company.

The Company issued 6,821,682 Fully Paid Ordinary Shares to Jefferies LLC having elected to settle interest payable on the US\$17.5 million Convertible Note in shares for the March quarter.

FEDERAL COURT CASE

As announced on 18 July 2018, the Company has obtained orders from the Federal Court of Australia validating 40 share issues made by the Company during the past 6 years.

As a result of these orders, the Company's securities were reinstated to trading on ASX on 19 July 2018. The Company believes that this matter is now at an end.

MARKET INFORMATION

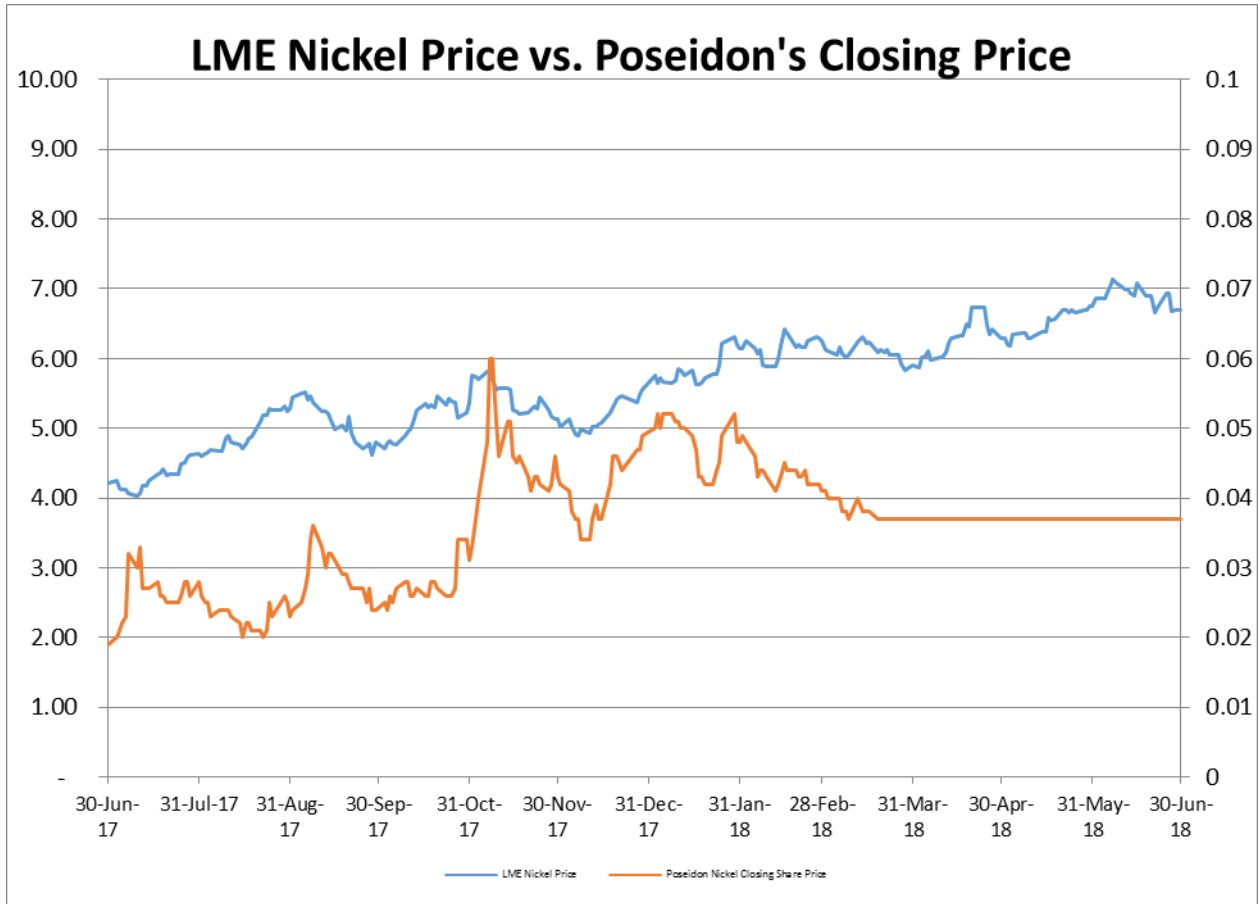


Figure 3: Poseidon share price graph compared to LME Nickel price

Michael Rodriguez
Chief Operating Officer

30 July 2018

MINERAL RESOURCE STATEMENT

Table 1: Nickel Projects Mineral Resource Statement

Nickel Sulphide Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY												
			INDICATED			INFERRED			TOTAL						
			Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
BLACK SWAN PROJECT															
Black Swan	2012	0.40%	9,600	0.68	65,000	21,100	0.54	114,000	30,700	0.58	179,000	0.01	4,200	NA	-
Silver Swan	2012	4.50%	52	9.19	4,800	84	9.01	7,600	136	9.08	12,400	0.17	250	0.45	600
LAKE JOHNSTON PROJECT															
Maggie Hays	2012	0.80%	2,600	1.60	41,900	900	1.17	10,100	3,500	1.49	52,000	0.05	1,800	0.10	3,400
WINDARRA PROJECT															
Mt Windarra	2012	0.90%	922	1.56	14,000	3,436	1.66	57,500	4,358	1.64	71,500	0.03	1,200	0.13	5,700
South Windarra	2004	0.80%	772	0.98	8,000	-	-	-	772	0.98	8,000	NA	-	NA	-
Cerberus	2004	0.75%	2,773	1.25	35,000	1,778	1.91	34,000	4,551	1.51	69,000	NA	-	0.08	3,600
TOTAL															
Total Ni, Co, Cu Resources	2004 & 2012		16,720	1.01	168,700	27,300	0.82	223,200	44,020	0.89	391,900	0.05	7,450	0.10	13,300

Note: totals may not sum exactly due to rounding. NA = information Not Available from reported resource model.

The Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Black Swan Resource as at 22 July 2014, Silver Swan Resource as at 3 June 2016, Maggie Hays Resource as at 17 March 2015, Mt Windarra, South Windarra and Cerberus Resource as at 30 April 2013

Table 2: Gold Tailings Project Mineral Resource Statement

Gold Tailings Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY				
			TOTAL INDICATED				
			Tonnes (Kt)	Au Grade (g/t)	Au (oz)	Ag Grade (g/t)	Ag (oz)
WINDARRA GOLD TAILINGS PROJECT							
Gold Tailings	2004	NA	11,000	0.52	183,000	1.9	670,000
TOTAL							
Total Au Resources	2004		11,000	0.52	183,000	1.9	670,000

Note: totals may not sum exactly due to rounding.

Windarra Gold Tailings Resource as at 30 April 2013.

ORE RESERVE STATEMENT

Table 3: Nickel Projects Ore Reserve Statement

Nickel Sulphide Reserves	JORC Compliance	ORE RESERVE CATEGORY						
		PROBABLE						
		Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
SILVER SWAN PROJECT								
Silver Swan Underground	2012	57	5.79	3,300	0.11	60	0.26	150
Black Swan Open pit	2012	3,370	0.63	21,500	NA	NA	NA	NA
TOTAL								
Total Ni Reserves	2012	3,427	0.72	24,800	0.11	60	0.26	150

Note: Calculations have been rounded to the nearest 10,000 t of ore, 0.01 % Ni grade 100 t Ni metal and 10t of cobalt metal.

Co & Cu grades and metal content for Black Swan require additional modelling prior to estimation.

Silver Swan Underground Reserve as at 26 May 2017, Black Swan Open Pit Reserve as at 5 November 2014.

The Company is not aware of any new information or data that materially affects the information in this report and the Resource/Reserve tables above. Such information is based on the information compiled by the Company's Geologists and the Competent Persons as listed below in the Competent Person Statements.

COMPETENT PERSON STATEMENTS:

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled and reviewed by Mr N Hutchison, General Manager of Geology who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists.

The information in this report which relates to the Black Swan Mineral Resource is based on, and fairly represents, information compiled by Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd. The information in this report which relates to the Black Swan Ore Reserve is based on, and fairly represents, information compiled by Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and who is a Members of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Silver Swan Mineral Resource is based on, and fairly represents, information compiled by Neil Hutchison, General Manager of Geology at Poseidon Nickel, who is a Member of The Australian Institute of Geoscientists and Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Silver Swan Ore Reserve is based on, and fairly represents, information compiled by Matthew Keenan who is a full-time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Lake Johnston Mineral Resource is based on, and fairly represents, information compiled by Neil Hutchison, General Manager of Geology at Poseidon Nickel, who is a Member of The Australian Institute of Geoscientists and Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Lake Johnston Ore Reserves Project is based on, and fairly represents, information compiled by Matt Keenan who is a full time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report that relates to Mineral Resources at the Windarra Nickel Project and Gold Tailings Project is based on, and fairly represents, information compiled by Neil Hutchison, General Manager of Geology at Poseidon Nickel, who is a Member of The Australian Institute of Geoscientists and Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. The Windarra Project contains Mineral Resources which are reported under JORC 2004 Guidelines as there has been no Material Change or Re-estimation of the Mineral Resource since the introduction of the JORC 2012 Codes. Future estimations will be completed to JORC 2012 Guidelines.

Mr Hutchison, Mr Glacken, Mr Weeks, and Mr Keenan all have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Mr Hutchison, Mr Glacken, Mr Weeks, and Mr Keenan have consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

FORWARD LOOKING STATEMENT – INFERRED RESOURCE STATEMENTS:

The Company notes that an Inferred Resource has a lower level of confidence than an Indicated Resource and that the JORC Codes, 2012 advises that to be an Inferred Resource it is reasonable to expect that the majority of the Inferred Resource would be upgraded to an Indicated Resource with continued exploration. Based on advice from relevant competent Persons, the Company has a high degree of confidence that the Inferred Resource for the Silver Swan deposit will upgrade to an Indicated Resource with further exploration work.

The Company believes it has a reasonable basis for making the forward looking statement in this announcement, including with respect to any production targets, based on the information contained in this announcement and in particular, the JORC Code, 2012 Mineral Resource for Silver Swan as of May 2016, together with independent geotechnical studies, determination of production targets, mine design and scheduling, metallurgical testwork, external commodity price and exchange rate forecasts and worldwide operating cost data.

FORWARD LOOKING STATEMENTS:

This release contains certain forward looking statements including nickel production targets. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "except", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward looking statements

Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility and potential development of the Silver Swan underground mine.

CORPORATE DIRECTORY

Director / Senior Management

Chris Indermaur	Non-Executive Chairman
David Singleton	Non-Executive Director
Geoff Brayshaw	Non-Executive Director
Robert Dennis	Non-Executive Director
Eryn Kestel	Company Secretary

Principal & Registered Office

Unit 8, Churchill Court
331-335 Hay Street
SUBIACO WA 6008
T: +61 8 6167 6600
F: +61 8 6167 6649

Corporate & Media Enquiries

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F: +61 8 6167 6649
E: admin@poseidon-nickel.com.au

Shareholder Enquiries

Personal shareholding queries should be addressed to:
Computershare Investor Services
GPO Box D182, Perth WA 6840
T: +61 8 9323 2000

Home Exchange

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

TENEMENTS

Mining Tenements Held as at 30 June 2018

Areas of Interest	Tenements	Economic Entity's Interest
Western Australia		
- Windarra Nickel Assets	MSA 38/261, G38/21, L38/121, L39/184, L38/199, L38/218, L39/221	100%
- Windarra South	L38/119, L38/122, L38/220	100%
- Woodline Well	M39/1075, L39/224	100%
- Pool Well	M38/1244, M38/1245, L38/118	100%
- Lake Johnston Nickel Assets	E63/1067, G63/0008, G63/0005, L63/0051, L63/0052, L63/0055, L63/0057, M63/0163, M63/0282, M63/0283, M63/0284, M63/0292, M63/0293, M63/0294, M63/0522, M63/0523, M63/0524, E63/1784	100%
- Black Swan Nickel Assets	E27/0357, M27/0039, M27/0200, M27/0214, M27/0216, L27/0057, L27/0058, L27/0059, L27/0074, L27/0075, L27/0077, L27/0078, L24/0219, L24/0222	100%

E = Exploration Licence M = Mining Lease MSA = Mining Tenement State Act PL = Prospecting Licence
L = Miscellaneous Licence

Mining Tenements Disposed during the June 2018 Quarter

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements during the June 2018 Quarter

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed of during the June 2018 Quarter

Nil

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Poseidon Nickel Limited

ABN

60 060 525 206

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(898)	(3,999)
(b) development	-	-
(c) production	-	-
(d) staff costs	(56)	(332)
(e) administration and corporate costs	(359)	(1,319)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	18
1.5 Interest and other costs of finance paid	(30)	(120)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	680
1.8 Other – sundry income	24	142
1.9 Net cash from / (used in) operating activities	(1,314)	(4,930)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(32)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	33
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(1)	1

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	5,438
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(3)	(74)
3.5 Proceeds from borrowings	-	138
3.6 Repayment of borrowings	(41)	(145)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(44)	5,357

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,407	1,620
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,314)	(4,930)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1)	1
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(44)	5,357
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	2,048	2,048

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,036	3,396
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other – Term Deposits	12	11
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,048	3,407

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
-
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	US\$17,500	US\$17,500
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


Unsecured Convertible Note held by Jefferies LLC – interest rate of 5% per annum, denominated in US\$ and repayable on 30 September 2020 with a conversion price of AU\$0.09 per share.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,300
9.2 Development	-
9.3 Production	-
9.4 Staff costs	150
9.5 Administration and corporate costs	450
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,900

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 30 July 2018
(Director)

Print name: Geoff Brayshaw

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.