
Notice of 2019 Annual General Meeting

Date: Thursday, 28 November 2019

Time: 10.30am (WST)

Venue: At the offices of KPMG
Boardroom 1
Level 8
235 St Georges Terrace
PERTH WA 6000

ACTIONS TO BE TAKEN BY SHAREHOLDERS

On behalf of the Board of Directors and Management of Poseidon Nickel Limited (**the Company**), all Shareholders are invited to the Company's 2019 Annual General Meeting (**AGM**) to be held

On: Thursday, 28 November 2019

At: 10.30am (WST)

Venue: At the offices of KPMG
Boardroom 1
Level 8
235 St Georges Terrace
PERTH WA 6000

At this year's AGM, Shareholders will have the opportunity to vote on:

- The adoption of the 2019 Remuneration Report;
- The re-election of Director who retires by rotation;

Your vote is important

The AGM is an important event for the Company and is an opportunity for Shareholders to review the 2019 Annual Report, ask questions and vote on relevant matters.

The Board considers that all the resolutions to be tabled at the 2019 AGM are in the best interests of all Shareholders and recommends all Shareholders vote in favour of them.

Eligibility to attend and vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the AGM are those who are registered Shareholders at 4.00pm (WST) on Tuesday, 26 November 2019.

Shareholders who are unable to attend the Meeting but wish to vote on the Resolutions may appoint a proxy to vote on their behalf. A proxy voting form is included with this Notice.

Last date to submit Proxy Form

Completed and signed Proxy Forms are to be received by the Company Secretary no later than 10.30am (WST) on **Tuesday, 26 November 2019**. Please complete and sign the enclosed Proxy Form, returning:

Online at www.investorvote.com.au

By mail Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001

By fax 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

By mobile Scan the QR Code on your proxy form and follow the prompts

Custodian Voting Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Proxy Forms received after 10.30am (WST) on Tuesday 26 November 2019 will be invalid.

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

To appoint a proxy, please write the name of the appointed proxy in the box on the proxy form. You can direct your proxy how to vote on the Resolutions by marking "For", "Against" or "Abstain".

A proxy does not need to be a shareholder of the Company. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number, each proxy may exercise half of the votes. You must return both Proxy Forms together. If you require additional Proxy Forms, please contact the Company Secretary on +61(0) 8 6167 6600.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to vote and speak will be suspended while you are present.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person.

If you intend to attend the meeting in person, you do not need to submit a Proxy Form.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will suspend your proxy appointment while you are present at the meeting.

Please bring your Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting, the Company will need to verify your identity. Please arrive 20 minutes prior to the start of the Annual General Meeting on the date and at the venue set out above.

Voting by Corporate Representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the Corporations Act 2001 (Cth) (Corporations Act). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

Impact of your proxy appointment on your voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

If you appoint any other member of the Board of directors, a member of the Key Management Personnel (KMP) who is named in the remuneration report or their closely related parties as your proxy, they will not be able to vote your proxy on the Remuneration report unless you have directed them how to vote.

"Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a KMP.

If you intend to appoint a KMP or the Chairman as your proxy, you are encouraged to direct them how to vote by marking "For", "Against" or "Abstain" for each of those items of business.

The Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the Chairman intends to vote undirected proxies, Poseidon will make an announcement to the market.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person, is conclusive.

BUSINESS OF THE 2019 ANNUAL GENERAL MEETING

2019 Annual Financial Report

To receive and consider the financial report, directors' report and independent auditor's report for Poseidon Nickel Limited and its controlled entities for the financial year ended 30 June 2019.

A copy of the above Reports, which are included in the Company's 2019 Annual Report, are accessible at <http://www.poseidon-nickel.com.au/>

NON-BINDING Resolution

Resolution 1 Adoption of 2019 Directors' Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report for Poseidon Nickel Limited for the financial year ended 30 June 2019 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting Exclusion Statement:

In accordance with Section 250R of the Corporations Act, the Company will disregard any vote cast in favour of Resolution 1 by, or on behalf of, a member of the Key Management Personnel (KMP) whose remuneration details are included in the Remuneration Report for the year ended 30 June 2019 or a Closely Related Party of a KMP (regardless of the capacity in which the vote is cast). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either a member of the KMP or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change their voting intention on this Resolution, in which case an ASX announcement will be made.

ORDINARY Resolution

Resolution 2 Re-Election of Director retiring by rotation

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

"That, for the purpose of clause 13.2 of the Company's Constitution and for all other purposes, Mr Karl Paganin retires by rotation and being eligible, is re-elected as a Director."

By Order of the Board



Brendan Shalders
Joint Company Secretary



Eryn Kestel
Joint Company Secretary

14 October 2019

EXPLANATORY STATEMENT TO ACCOMPANY 2019 NOTICE OF ANNUAL GENERAL MEETING

2019 ANNUAL REPORT

The 2019 Annual Report of Poseidon Nickel Limited is available from <http://www.poseidon-nickel.com.au/>

Section 317 of the Corporations Act requires the audited financial statements, together with the declaration of the directors, the remuneration and the independent auditor's reports for the year ended 30 June 2019 to be presented to the Shareholders at the 2019 Annual General Meeting.

In accordance with sections 250S and 250T of the Corporations Act, Shareholders will have a reasonable opportunity at the Meeting to bring questions forward to the Directors, Senior Management and Auditor to make comments on the Reports. However, there is no formal resolution required to be put to Shareholders to approve the 2019 Annual Report.

Shareholders who are unable to attend the Annual General Meeting can submit written questions to the Company and/or the Auditor about the conduct of the audit, preparation and content of the Auditor's Report, and accounting policies adopted by the Company.

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting (no later than Wednesday 20 November 2019) to the Company Secretary at the Company's registered office.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at <http://www.poseidon-nickel.com.au/>

Annual Report Mailed

A printed copy of the 2019 Audited Annual Report has been mailed to those Shareholders who have opted to receive a printed copy.

Resolution 1**Adoption of 2019 Directors' Remuneration Report**

The 2019 Annual Report contains the Directors' Remuneration Report, which, in accordance with Section 300A of the Corporations Act 2001, sets out the Company's remuneration policy, reports on the remuneration arrangements in place for Executive and Non-Executive Directors and explains the Board's policies in relation to the objectives and structure of remuneration paid to Directors during the financial year ended 30 June 2019.

The Remuneration Report is set out on pages 22 to 31 inclusive of the 2019 Annual Report, which is incorporated into the Directors' Report.

Consistent with Section 250R (2) of the Corporations Act 2001, the Company presents the Remuneration Report for the year ended 30 June 2019 to Shareholders for consideration and adoption, by way of an Ordinary Resolution.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives. The

Board continues to focus on refining and improving the Company's remuneration framework in support of the strategic direction and to determine the best way forward with remuneration policies that supports the current and future needs of the Company.

In accordance with Section 250SA of the Corporations Act, shareholders present at the Annual General Meeting will be given an opportunity by the Chair of the Meeting to discuss the 2019 Remuneration Report.

Resolution 1 will be decided as an ordinary (majority) resolution but in accordance with section 250R (3) of the Corporations Act the outcome does not bind the Directors of the Company.

A failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will consider the outcomes of the votes when considering the future remuneration arrangements of the Company.

The Director and Executive Remuneration Act which came into effect on 1 July 2011 provides Shareholders with the opportunity to remove the whole Board (except the Managing Director/Chief Executive Officer) under the two strike rules.

Where the Against/No vote on the Remuneration Report Resolution is 25% or more of the total votes received at 2 consecutive annual general meetings, the Board Spill provisions will be triggered and all Directors (other than the Managing Director/Chief Executive Officer) who are in office at the date of the applicable Directors' Report must stand for re-election.

Previous voting results

- The 2017 Remuneration Report was not approved by Shareholders and the Company recorded a 1st strike;
- The 2018 Remuneration Report was approved by Shareholders; and
- If at least 25% of the votes cast on Resolution 1 at the 2019 Annual General Meeting are against adoption of the 2019 Directors' Remuneration Report, the Board Spill provisions will not be triggered but the Company will record a 1st Strike.

Proxy restrictions

Pursuant to Chapter 2E of the Corporations Act, a member of Key Management Personnel whose remuneration details are included in the 2019 Directors' Remuneration Report or their closely related party are not permitted to vote undirected proxies on remuneration matters.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though Resolution 1 is connected directly or indirectly with the Remuneration of a member of the Key Management Personnel, which includes the Chairman.

Recommendation of Board

The Board unanimously recommends the adoption of the 2019 Directors' Remuneration Report.

The Chairman intends to vote undirected proxies in favour of Resolution 1.

Resolution 2

Re-Election of Director retiring by rotation

Poseidon Nickel Limited currently has three (3) Non-Executive Directors – Mr Geoff Brayshaw, Mr Karl Paganin and Ms Felicity Gooding.

In accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, one third of all Directors are to retire by rotation after the third Annual General Meeting since they were last elected. As no Director of the Company is attending their third Annual General Meeting since they were last elected, in accordance with ASX listing rule 14.5 and under clause 13.2 of the Constitution, the Director(s) to retire are those that have been longest in office since their last election.

Resolution 2 seeks approval for the re-election of Mr Karl Paganin as a Non-Executive Director, retiring by rotation pursuant to the Company's Constitution.

Mr Karl Paganin

Non-Executive Director

Qualifications

Bachelor of Law; and Bachelor of Arts

Experience and expertise

Mr Paganin practised with major national law firms and was then appointed as Senior Legal Counsel at the newly formed family company of the Holmes a Court family, Heytesbury Holdings where he spent 11 years. His roles varied from Senior Legal Counsel to Director of Major Projects, a role which involved having conduct of all major transactions within the Group.

Mr Paganin spent 15 years as a senior Investment Banker in Perth. In 2002, he joined the Perth based Euroz Securities and established its Corporate Finance department.

In 2010, he established and was Managing Director of GMP Australia Pty Ltd an affiliate of a Canadian resource specialist investment bank.

Mr Paganin specialises in transaction structuring, equity capital markets, mergers and acquisitions and providing strategic management advice to listed public companies.

He currently holds non-executive director roles with two ASX listed entities.

Independence

Mr Paganin has been appointed to the Board as the nominee of Black Mountain Metals Pty Ltd, a substantial Shareholder of the Company. If elected, the Board does not consider Mr Paganin to be an independent director.

Recommendation of the Board

The Board (excluding Mr Paganin) recommends the re-election of Mr Paganin as a Director of the Company.

The Chairman intends to vote undirected proxies in favour of Resolution 2.

GLOSSARY

\$ means Australian dollars

Annual General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chairman means the chairman of the Meeting

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Poseidon Nickel Limited (ABN 60 060 525 206).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means Non-Executive Directors

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice of Meeting.

Key Management Personnel is defined by AASB 124 Related Party disclosures as all directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

Proxy Form means the proxy form accompanying the Notice of Meeting

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

Resolutions means the resolutions set out in the Notice of Meeting or any one of them, as the context requires.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.