

**HD**      **Poseidon Nickel is closer to Black Swan acquisition**  
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[Poseidon Nickel \(ASX:POS\)](#) is closer to the **acquisition** of the Black Swan Project in Western Australia from Norilsk Nickel with the receipt of Government and Environmental approvals.

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The two companies are now working through the transfer of a number of covenants attaching to the tenements associated with historical undertakings.

Completion of the **acquisition** is now expected on 27th March 2015 rather than the end of this year.

However technical activities associated with restarting the Black Swan nickel **operations** are unaffected and are proceeding to plan.

Idquo;We have made very good progress at Black Swan. This change is not expected to affect Poseidonrsquo;s overall schedule to restart Black Swan which we expect to commence after Windarra and Lake Johnstonrdquo; managing director David Singleton said.

#### **Acquisition** Approval

Completion of the Black Swan **acquisition** requires certain conditions to be satisfied. This includes the Government and Environmental approvals associated with the site being on care and maintenance and to facilitate re-commencement of **mining operations**.

Poseidon and Norilsk are working through the transfer of a number of covenants attaching to the tenements associated with historical undertakings.

These transfers are in the normal course of business for a transaction of this nature.

All of the consents attaching to these covenants have been received and the parties continue to work with the relevant regulatory agency to progress the satisfaction of the remaining conditions precedent.

Simultaneously the **company** continues to work with Norilsk during the completion period to facilitate the handover of this project and continuation of granted **mining** approvals. nbsp;nbsp;nbsp;

#### Black Swan Project

In November Poseidon delivered an initial Probable **Ore** Reserve of 3.37 **million** tonnes at 0.63% nickel for 21500 tonnes contained nickel for the Black Swan Project.

It includes 1.19 **million** tonnes of **ore** that was previously mined from the open pit but was not processed prior to the facility being put into care and maintenance.

This Reserve represents a nominal three years of plant throughput and was achieved without any need for drilling.

The operating plan is based on a total initial concentrator throughput of 1.1 **million** tonnes of nickel **ore** comprising 600000 tonnes from Mt Windarra and a further 500000 tonnes from the Black Swan open pit.

Mill feed for the first 6 months will be sourced from the existing stockpiles which allows Poseidon to delay production from the Black Swan pit by 6 months from start-up to allow for dewatering of the pit.

During this time the stockpiles will be reclaimed and processed with the water from the pit being utilised in the plant during the stockpile treatment process.

Restart costs are estimated at about \$12.8 **million** while site operating costs are estimated to be between \$16 **million** and \$22 **million** per year.

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