



NSL Consolidated

10th February 2015

AUSTRALIA BUSINESS WEEK IN INDIA

HIGHLIGHTS

- NSL Participates in largest trade delegation to visit India.
 - High level engagement with steel and resources companies.
 - Delegation visited with Steel and Mines Minister to discuss foreign investment into mining and hurdles for foreign companies.
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NSL Consolidated Limited (Company, ASX: **NSL**, **NSLO**) is pleased to provide an update regarding the recent Australia Business Week in India trade delegation.

During January the Australian Government and Austrade hosted the Australia Business Week in India trade delegation. Minister Andrew Robb AO led the 450 strong Australian delegation, which was broken into 13 key focus groups. Resources and Energy was represented by approximately 40 delegates, and participated in sessions across Delhi and Mumbai.

During the week there were a number of key statistics quoted by the Minister, namely

- Australia has approximately \$185 billion worth of bilateral trade with China and at present only \$15 billion of bilateral trade with India;
- There are approximately 11,500 Australian companies operating in the USA, 16,500 Australian companies operating in New Zealand, and only 350 Australian companies operating in India.

Presentations, high level meetings and subsequent one on one discussion were programmed through the week. Indian company representation included:

- NMDC Limited;
- Coal India Limited;
- Jindal Steel and Power Limited;
- JSW Limited;
- Aditya Birla and Essel Mining; and
- Essar Group Limited

The Australian Government and Austrade, enabled in particular by the local Austrade business and trade representatives put on a valuable and well executed program, which has assisted in NSL's networking and exposure to the steel and resources industry in India.



NSL participating in session with JSW Limited

During the course of the program NSL were also able to participate in a business delegation that travelled to meet with the Minister of Mines and Steel, Sri Narendra Singh Tomar.

The delegation included Hon. Andrew Robb AO (Minister for Trade and Investment), His Excellency Mr Patrick Suckling (High Commissioner to India), Mr Mike Baird (Premier of NSW), Ms Gina Rinehart (Chairman Hancock Prospecting), Mr Sam Walsh (CEO Rio Tinto) and Dr Vanessa Guthrie (Managing Director Toro Energy).



NSL Participating in delegation to Minister for Steel and Mines

The broad ranging discussions focussed on the potential for opening up the Indian resources industry to foreign investment, and some of the key areas of concern for Australian companies looking to enter this high growth industry.



NSL Participating in delegation to Minister for Steel and Mines

The ABWI further enhanced the Company profile and reputation as the only foreign company to own and operate its own iron ore mines in India, with steel producers, Indian and Australian governmental departments and the wider Indian community. The continuing increasing levels of exposure and understanding of the Company, positions the Company to be a leader in Indian and Australian bilateral trade process.

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Austrade Indian Investment Summary

Indian outbound foreign direct investment (FDI) has grown from A\$5.1 billion in 2002–03 to A\$43 billion in 2010–11. This strong investment growth has been driven by the internationalisation of Indian companies, who are seeking new markets, technologies and access to natural resources to secure supply chains for India's rapid industrialisation. Australia's share of Indian FDI has increased from A\$609 million in 2006 to A\$11 billion in 2013. There are an estimated 100 Indian companies in Australia, and Australia is frequently ranked by Indian companies as a top 10 potential investment location.

India's privately owned conglomerates are driving Indian outbound investment. India is tipped to replace China as the largest source of new multinationals in the emerging world from 2018, and is predicted to become the third 'global economic giant' by 2050. It can therefore be expected that FDI will continue to increase from India as its multinational corporations grow and mature.

Interest in Australian energy resources, including coal, iron ore and liquefied natural gas, will increase over the next decade to service an expanding economy, growing energy needs, rapidly increasing population, and a domestic production unable to service local demand. The recent announcement on uranium will also attract investment interest.

Conversely, Australian super funds and infrastructure companies also have significant opportunities to finance and invest in major Indian infrastructure projects, including the provision of expertise on Public Private Partnerships (PPP) structures and best practice.

The Indian Government's vision to create 100 new smart cities across India will create significant opportunities for Australian expertise, advisory services and infrastructure financing. There are opportunities for Australian banks, advisory firms and professional services organisations to act as advisors in these investment transactions.