



NSL Consolidated

28th July 2015

BMM ISPAT PURCHASE ORDER PAYMENT RECEIVED

NSL Consolidated Limited (Company, ASX: **NSL, NSLO**) is pleased to provide an update in relation to its offtake agreement with BMM Ispat (**BMM**) for up to 200,000 tonnes of existing Phase One dry beneficiation plant lump product with typical specifications up to 58% Fe.

The Company is pleased to announce that the sales transaction is fully completed, with the payment from the sale of the enhanced ore received into NSL's account.

As mentioned previously the Company had received a Purchase Order from BMM for its successfully enhanced +57% Fe lump product, with the material dispatch being completed and received at the BMM complex.

The material has been tested on site for both chemical and physical characteristics, and BMM have confirmed the material specifications exceed requirements. The material will be used for direct feed into BMM's DRI kiln in a production scale testing process over the course of the next week(s) subject to their internal planning requirements, as BMM are required to switch feedstock into the plant to enable dedicated analysis of NSL's material.

"Importantly, the completion of the transaction with BMM, being directly with the end user has avoided the need for traders and the uncertain credit worthiness inherent with this medium, and therefore has mitigated sales transactional risk. The completion of the sales process also continues to further enhanced the Company's 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." said Mr Goode.

The BMM steel complex is approximately 240kms from NSL operations and located within the Hospet region of Karnataka, southern India's main steel producing belt.

Production facilities located at the BMM steel complex include:

- Beneficiation Plant of 2.80 million tonnes per annum (**mtpa**)
- Pellet Plant of 2.60mtpa
- Sponge Iron Plant of 0.73mtpa
- Induction Furnace of 0.10mtpa
- Rolling Mill of 0.09mtpa
- Power Plant of 95 MW

BMM has embarked upon expansion projects which will result in new capacities for:

- Integrated Steel Plant of 1.25mtpa
- Power Plant of 140 MW

For further information on BMM, please refer to www.bmm.in

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