



NSL Consolidated

25th June 2015

NSL AND ANDHRA PRADESH GOVERNMENT EXECUTE

MEMORANDUM OF UNDERSTANDING

HIGHLIGHTS

- NSL executes a Memorandum of Understanding (**MoU**) with Andhra Pradesh Government.
 - MoU covers collaboration for the beneficiation and value addition of iron ores within the State.
 - Andhra Pradesh Government recognises NSL's capability and success in India to date.
 - MoU provides clear pathway for the Company to significantly expand its Andhra Pradesh operational base.
-

NSL Consolidated Limited (Company, ASX: **NSL, NSLO**) is pleased to provide an update in relation to its Indian iron ore strategy.

In an important step forward, the company has executed a Memorandum of Understanding (MoU) with the Government of Andhra Pradesh for collaboration in the mining, beneficiation and value addition of low grade iron ores that are abundant in the State.

The MoU was executed between NSL and the Andhra Pradesh Mineral Development Corporation (APMDC), the State owned enterprise charged with maximising utilisation of mineral resources within the State.

The signing was conducted by Mr Cedric Goode, the Managing Director of NSL Consolidated and Mr Girija Shankar, the Managing Director of APMDC. The signing was witnessed by Sri Chandrababu Naidu, the Honourable Chief Minister of Andhra Pradesh, The Hon. Steven Ciobo, Parliamentary Secretary to the Australian Trade and Investment Minister, and Mr Sean Kelly, Australian Consul General to South India.



The scope of the MOU is to define a collaboration between the Company and Andhra Pradesh whereby the Company will work with APMDC in the reconnaissance and exploration for minerals in the State. The company has also agreed to provide State of the art testing, process flow development and technology for the setting up of value addition plants such as beneficiation and pellet plants for low grade iron ore located in the State of Andhra Pradesh and APMDC has agreed to assist NSL in this endeavour.

The execution of the MoU was conducted as part of the current Australian Trade Delegation visit to Hyderabad, being hosted by The Hon. Steven Ciobo, Parliamentary Secretary to the Australian Trade and Investment Minister.

"The Cuddapah Basin is a sedimentary formation that stretches more than 200 kilometres. The region is characterised by high silica content very low grade iron ores. The material is in fact by Indian Bureau of Mines (IBM) definitions not classified as iron ore, with grades averaging between 25-35% Fe content none of this material is economically viable for use in the steel industry" Commented Mr Goode after the execution.

"NSL has spent 6 years progressing its iron ore strategy in India and developing a technology tailored specifically at the beneficiation of these low grade iron ores. This investment has been recognised by the State of Andhra Pradesh as a key enabler for unlocking the vast low grade mineral wealth."

The Company has developed a process flow and technology that is capable of beneficiating iron ores from as low as 27% Fe content to a saleable concentrate of between 60-62% Fe, which is ideal for the Indian domestic steel industry.

In addition to iron ore, the collaboration agreement allows for the expansion into other key minerals critical for the State and India's growth plans.

CONTACT:

Cedric Goode
NSL Consolidated
+61400 408 477

Kevin Skinner
Field Public Relations
+61 414 822 631