
NSL CONSOLIDATED LIMITED

ACN 057 140 922

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00am (WST)

DATE: 26 November 2015

PLACE: Athans & Taylor
Suite 3, 17 Foley Street,
Balcatta WA 6021

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6168 8000.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10:00am (WST) on 26 November 2015 at:

Athans & Taylor
Suite 3, 17 Foley Street,
Balcatta WA 6021

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (WST) on 24 November 2015.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF 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 purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – PETER LINFORD

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

“That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Peter Linford, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will 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.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES TO MAGNA EQUITIES II, LLC

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 33,698,069 Magna Shares to Magna Equities on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. 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.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES IN SATISFACTION OF INTEREST AND MARKETING FEE

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 24,907,634 Shares and 26,823,606 Options to Resources First on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. 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.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES ISSUED TO S3 CONSORTIUM PTY LTD

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,000,000 S3 Shares to S3 Consortium Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. 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.

Dated: 20 October 2015

By order of the Board

**Sean Henbury
Company Secretary**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.nslconsolidated.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – PETER LINFORD

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;

- (c) A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) In determining the number of Directors to retire, no account is to be taken of:
 - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
 - (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company currently has three (3) Directors and accordingly one (1) must retire.

Peter Linford, the Director longest in office since his last election, retires by rotation and seeks re-election.

Mr Linford is currently the CEO of NaSAH Pty Ltd (**NaSAH**) and OGM Technical Institute Pty Ltd. NaSAH is part of the Nasser S. Al Hajri Corporation in the Middle East with over 65,000 employees.

Prior to joining NaSAH, Mr Linford worked in senior Australian Government roles such as the Senior Trade & Investment Commissioner South Asia and as Consul General and Senior Trade & Investment Commissioner Middle East and North Africa.

As Senior Trade & Investment Commissioner for the South Asia region Mr Linford was responsible for the management of Austrade offices in 16 locations covering 9 countries.

The New Delhi post is the central point for management of the South Asia network. Austrade office locations in the South Asia region include New Delhi, Mumbai, Chennai, Bangalore, Kolkata, Hyderabad, Jaipur, Chandigarh, Pune, Ahmedabad, Kochi, (India), Islamabad, Lahore, Karachi (Pakistan), Colombo (Sri Lanka), Dhaka (Bangladesh).

As Consul General and Senior Trade & Investment Commissioner Middle East and North Africa Mr Linford was responsible for the management of Austrade offices in 15 locations covering 26 countries from Morocco in North Africa, to Iran in the Gulf region. The Dubai post & Consulate General is the central point for management of the MENA network and works as a gateway post for Australian companies to visit the region, and to subsequently migrate through the region matching opportunities generated. Austrade office locations in the MENA region include Tripoli (Libya), Istanbul (Turkey), Cairo, (Egypt) Beirut, (Lebanon) Amman & Baghdad (Jordan), Kuwait, Riyadh & Jeddah (Saudi Arabia), Bahrain, Doha (Qatar), Dubai & Abu Dhabi (UAE), Muscat (Oman) and Tehran (Iran).

Mr Linford is currently also a director of Nasah Australia Pty Ltd and OGM Technical Institute Pty Ltd.

The Board support Mr Linford's re-election and recommend that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$10,746,094.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two (2) classes of Equity Securities on issue, being the Shares (ASX Code: NSL) and listed Options (ASX Code: NSLO).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

4.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.3(a), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.006 50% decrease in Issue Price	0.012 Issue Price	0.024 50% increase in Issue Price
895,507,850 (Current Variable A)	Shares issued - 10% voting dilution	89,550,785 Shares	89,550,785 Shares	89,550,785 Shares
	Funds raised	\$537,305	\$1,074,609	\$2,149,219
1,343,261,775 (50% increase in Variable A)	Shares issued - 10% voting dilution	134,326,177 Shares	134,326,177 Shares	134,326,177 Shares
	Funds raised	\$805,957	\$1,611,914	\$3,223,828
1,791,015,700 (100% increase in Variable A)	Shares issued - 10% voting dilution	179,101,570 Shares	179,101,570 Shares	179,101,570 Shares
	Funds raised	\$1,074,609	\$2,149,219	\$4,298,438

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 913,841,183 Shares on issue comprising:
 - (a) 895,507,850 existing Shares as at the date of this Notice of Meeting; and
 - (b) 18,333,333 Shares (based on the current share price of \$0.012) which are to be issued pursuant to resolution 4 of the Company's general meeting held on 5 October 2015.
2. The issue price set out above is the closing price of the Shares on the ASX on 19 October 2015.

3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's existing Indian iron ore project(s) and for general working capital purposes; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments and exploration and development of the Company's Indian iron ore project(s), in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or

new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 19 November 2014 (**Previous Approval**).

The Company has issued 19,041,774 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 25 November 2014, the Company also issued a further 140,425,053 Shares and 42,823,606 Options which represents approximately 14.6% of the total diluted number of Equity Securities on issue in the Company on 25 November 2014, which was 1,255,027,983.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

4.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES TO MAGNA EQUITIES II, LLC

5.1 Background

As announced on 15 January 2015, the Company and Magna Equities entered into the Convertible Loan Facility pursuant to which Magna Equities provided the Company with a loan of up to USD\$4,000,000 over 24 months (**Convertible Loan**).

The Company received the initial tranche of US\$125,000 upon the execution of the Convertible Loan, and received an additional US\$125,000 within 30 trading days of closing.

Subsequent funding in tranches of up to US\$250,000 is available every 60 calendar days (to a maximum of US\$3,750,000) at the Company's election subject to customary conditions including no events of default or termination events having occurred).

The Convertible Loan was convertible, at Magna Equities sole discretion, into that number of Shares (**Conversion Shares**) at an issue price equal to a 20% discount from the lowest volume weighted average price (**VWAP**) in the five (5) trading days prior to conversion.

Additionally, Magna Equities received a 5% commitment fee on all drawdowns (**Commitment Shares**), as and when they occurred, which were paid by the Company in Shares at an issue price of the average VWAP in the five Trading Days prior to each drawdown being advanced.

As at the date of this Notice the Company had drawn down USD\$750,000 under the Initial Convertible Loan Facility and USD\$500,000 of that drawn down balance has been converted into Shares.

5.2 General

At several dates throughout September 2015 the Company issued a total of 33,698,069 Conversion Shares, consisting of the following:

- (a) 15,149,874 Conversion Shares issued on 11 September 2015 at a deemed issue price of \$0.0071 per Conversion Share to Magna Equities upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility and
- (b) 18,548,195 Conversion Shares issued on 29 September 2015 at a deemed issue price of \$0.0096 per Conversion Share to Magna Equities upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility,

(together the **Magna Shares**).

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Magna Shares (**Magna Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Magna Ratification:

- (a) a total of 33,698,069 Magna Shares were issued;
- (b) the deemed issue price for the 15,149,874 Conversion Shares issued on 11 September 2015 was \$0.0071, and the deemed issue price of the 18,548,195 Conversion Shares issued on 29 September 2015 was \$0.0096;
- (c) the Magna Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Magna Shares were issued to Magna Equities. Magna Equities is not a related party of the Company; and
- (e) no funds were raised from the issue of the Magna Shares, however the funds received pursuant to the Convertible Loan Facility were used to enable the Company to continue its focus on its unique position of being the only foreign company to own and operate iron ore mines in India.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES ISSUED IN SATISFACTION OF INTEREST AND MARKETING FEE

6.1 General

On 8 August 2012, the Company announced that it had entered into an agreement to issue a low cost, unsecured convertible note to Resources First Pte Ltd (**Resources First**), the funds from which would be used to further underpin and expand its iron ore production in India. Interest of 6% per annum is payable on amounts outstanding under the convertible note, payable yearly on an arrears basis.

The Company further announced that it had entered into a marketing agreement with Resources First to market the Company's iron ore and procure sales contracts in a manner and at a price consistent with industry standards.

The Company negotiated with Resources First to convert 100% of the amounts accrued in interest and marketing fees into Shares and Options.

On 19 October 2015, the Company issued a total of 24,907,634 Shares and 26,823,606 Options (together the **Resources First Securities**) to Resources First in satisfaction of the accrued interest and marketing fees.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Resources First Securities (**Resources First Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 5.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Resources First Ratification:

- (i) 24,907,634 Shares and 26,823,606 Options were issued;
- (ii) the issue price was \$0.012 per Share and \$0.006 per Option;
- (iii) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (iv) the Options will be issued on the terms and conditions set out in Schedule 2;
- (v) the Resources First Securities were issued to Resources First. Resources First is not a related party of the Company; and
- (vi) no funds were raised from the issue as the Resources First Securities are being issued to Resources First (or its nominee) in satisfaction of interest payments and marketing fees accrued.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES ISSUED TO S3 CONSORTIUM PTY LTD

7.1 General

On 19 October 2015, the Company issued 6,000,000 Shares (**S3 Shares**) to S3 Consortium Pty Ltd as performance based consideration for marketing services provided by S3 Consortium Pty Ltd.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those S3 Shares (**S3 Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 5.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the S3 Ratification:

- (i) 6,000,000 S3 Shares were issued;
- (ii) the deemed issue price of the S3 Shares was \$0.01 since the S3 Shares were issued for nil cash consideration as they were issued as performance based consideration for marketing services provided to the Company;
- (iii) the S3 Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (iv) the S3 Shares were issued to S3 Consortium Pty Ltd, who is not a related party of the Company; and
- (v) no funds were raised from this issue as the S3 Shares were issued as performance based consideration for services provided to the Company.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in section 4.1 of the Explanatory Statement.

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

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day 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.

Chair means the chair 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) for the purposes of the definition of 'closely related party' in the Corporations Act.

Commitment Shares has the meaning given in section 5.1 of the Explanatory Statement.

Company means NSL Consolidated Limited (ACN 057 140 922).

Constitution means the Company's constitution.

Conversion Shares has the meaning given in section 5.1 of the Explanatory Statement.

Convertible Loan has the meaning given in section 5.1 of the Explanatory Statement.

Convertible Loan Facility means the loan agreement entered into between the Company and Magna Equities on or around 15 January 2015.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Magna Equities means Magna Equities II, LLC.

Magna Ratification has the meaning given in section 5.2 of the Explanatory Statement.

Magna Shares has the meaning given in section 5.2 of the Explanatory Statement.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

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 2015.

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

Resources First has the meaning given in section 6.1 of the Explanatory Statement.

Resources First Securities has the meaning given in section 6.1 of the Explanatory Statement.

Resources First Ratification has the meaning given in section 6.1 of the Explanatory Statement.

S3 Ratification has the meaning given in section 7.1 of the Explanatory Statement.

S3 Shares has the meaning given in section 7.1 of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the calculation in section 4.2 of the Explanatory Statement.

VWAP has the meaning given in section 5.1 of the Explanatory Statement.

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

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 25 NOVEMBER 2014

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 19 October 2015 Appendix 3B – 19 October 2015	6,000,000	Shares ²	S3 Consortium Pty Ltd	\$0.01	Non-cash Consideration: Performance based consideration for services provided to the Company. Current value ⁶ = \$72,000
Issue – 19 October 2015 Appendix 3B – 19 October 2015	24,907,634	Shares ²	Issued to a nominee of Resources First Pte	\$0.012	Non-cash Consideration: In satisfaction of interest and marketing fees accrued. Current value ⁶ = \$298,891
Issue – 19 October 2015 Appendix 3B – 19 October 2015	26,823,606	Quoted options ²	Issued to a nominee of Resources First Pte	\$0.006	Non-cash Consideration: In satisfaction of interest and marketing fees accrued. Current value ⁶ = \$160,942
Issue – 29 September 2015 Appendix 3B – 29 September 2015	18,548,195	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.0096	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$222,578
Issue – 11 September 2015 Appendix 3B – 11 September 2015	15,149,874	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.0071	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$181,798
Issue – 7 September 2015 Appendix 3B – 11 September 2015	13,000,000	Shares ²	Option holders	\$0.0096	For Non-cash only Consideration: issued upon exercise of Unquoted Options Current value ⁶ = \$156,000
Issue – 7 September 2015 Appendix 3B – 11 September 2015	750,000	Shares ²	Option holders	\$0.01	For Non-cash only Consideration: issued upon exercise of Quoted Options Current value ⁶ = \$9,000
Issue – 20 August 2015 Appendix 3B – 20 August 2015	2,727,273	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.011	For Non-cash only Consideration: issue of Commitment Shares pursuant to the Convertible Loan Facility Current value ⁶ = \$32,727
Issue – 20 August 2015 Appendix 3B – 20 August 2015	6,000,000	Shares ²	Resources First Pte Ltd	No issue price (non-cash consideration)	For Non-cash only Consideration: consideration for extension of Resources First Convertible Note Current value ⁶ = \$72,000
Issue – 20 August 2015	10,000,000	Unquoted Options ⁴	Magna Equities II, LLC – lender	No issue price (non-cash)	For Non-cash only Consideration: issued in

Appendix 3B – 20 August 2015			under the Convertible Loan	consideration)	accordance with the Magna Equities funding agreement as announced on 13 August 2015 Current value ⁶ = \$46,565
Issue – 20 August 2015 Appendix 3B – 20 August 2015	6,000,000	Quoted Options ³	Resources First Pte Ltd	No issue price (non-cash consideration)	For Non-cash only Consideration: consideration for extension of Resources First Convertible Note Current value ⁶ = \$36,000
Issue – 16 July 2015 Appendix 3B – 16 July 2015	15,454,766	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.00648	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$185,457
Issue – 19 June 2015 Appendix 3B – 19 June 2015	10,807,073	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.0048	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$129,685
Issue – 15 May 2015 Appendix 3B – 15 May 2015	2,185,065	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.007	For Non-cash only Consideration: issue of Commitment Shares pursuant to the Convertible Loan Facility Current value ⁶ = \$26,221
Issue – 15 May 2015 Appendix 3B – 15 May 2015	8,794,456	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.0056	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$105,533
Issue – 30 April 2015 Appendix 3B – 30 April 2015	9,183,412	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.0056	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$110,201
Issue – 5 February 2015 Appendix 3B – 5 February 2015	5,333,333	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	Deemed issue price of \$0.0048	For Non-cash only Consideration: issued upon conversion of the Convertible Loan pursuant to the Convertible Loan Facility Current value ⁶ = \$64,000
Issue – 19 January 2015 Appendix 3B – 19 January 2015	1,583,972	Shares ²	Magna Equities II, LLC – lender under the Convertible Loan	No issue price (non-cash consideration)	For Non-cash only Consideration: issue of Commitment Shares pursuant to the Convertible Loan Facility Current value ⁶ = \$19,008

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: NSL (terms are set out in the Constitution).
3. Quoted Options, exercisable at \$0.01 each, on or before 31 December 2016, ASX Code: NSLO.

4. Unquoted Options, exercisable at \$0.03 each, on or before 14 August 2018. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 5 October 2015.
5. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
6. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.012) or Options (\$0.006) as the context requires on the ASX on the trading day prior to the date of this Notice. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS

- (a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) The amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**).
- (c) Each Option will expire at 5:00 pm (WST) on 31 December 2016 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) Within 15 Business Days after the later of the following:
 - (i) the Exercise Date; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section

708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (h) Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (j) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) The Company will apply for quotation of the Options on ASX.
- (n) The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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