



NSL Consolidated

16th October 2015

NSL RECEIVES 4,000 TONNE PURCHASE ORDER FOR SPECIALISED LUMP PRODUCT

HIGHLIGHTS

- 4,000 tonne purchase order received for NSL specialised lump.
 - Key Andhra Pradesh steel producer, Sathavahana Ispat Ltd.
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NSL Consolidated Limited (Company, ASX: **NSL**, **NSLO**) is pleased to advise that the Company has received a 4000 tonne Purchase Order (PO) from Sathavahana Ispat Ltd (SI) for sized lump iron ore for use in their blast furnaces.

As stated previously the Company has been conducting significant market evaluation and technical reviews with key steel industry producers in addition to the current offtake agreements in place. One of the key outcomes from this exercise has been the ability to fully understand the required product mix and technical requirements needed by individual blast furnaces.

As a result of this process Sathavahana Ispat Ltd, has issued the Company with an initial PO for 4,000 tonnes of low iron, high silica sized lump. This blast furnace feed lumps, is a specialised NSL produced product that is relatively unique to NSL as a result of the ore geology and beneficiation process at the Company's operations. The specialised blend of iron, silica and alumina is critical to the performance of the furnace and quality of the finished cast iron.

The Company has stocks of material to commence supplying into the PO and Sathavahana require up to 4,000 tonnes per month of this specialised product. Payment will be made under a Letter of Credit (LC) with normal industry terms. The LC will now be established between the two companies for supply to commence.

For more information on Sathavahana Ispat Ltd, <http://www.sathavahana.com/>

In addition the Company has received a PO and payment for the first despatch in advance from a small scale steel mill that requires 3,000 tonnes of specialised NSL product per annum.

Negotiations and final discussions with other steel producers are ongoing for more large scale PO's at varying final product grades, including but not limited to BMM Ispat and Sri Kalahasthi Pipes Ltd.

CONTACT:

Cedric Goode
NSL Consolidated
+61400 408 477

Kevin Skinner
Field Public Relations
+61 414 822 631

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