



NSL Consolidated

8 March 2016

POWER CONNECTION SANCTIONED BY GOVERNMENT OF ANDHRA PRADESH

HIGHLIGHTS

- Grid power connection approval received by Government of Andhra Pradesh.
 - Approvals granted within 6 days of document submission and reinforces NSL's bona fides and strategy of value addition in the Indian iron ore industry.
 - NSL executed MoU to support 5 year growth strategy in Andhra Pradesh directly with State Government of Andhra Pradesh.
 - Andhra Pradesh on track for +14% growth for next 15 years as a result of building a new state.
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Perth-based iron ore miner, NSL Consolidated Limited (Company, ASX: **NSL, NSLO**), is pleased to further update the market regarding progress made by both the Company and the Government of Andhra Pradesh (**GoAP**), subsequent to the 14 January 2016 Memorandum of Understanding (**MoU**) announcement between the Company and GoAP.

NSL have now received approvals for a 33kV grid power connection. The sanction confirms both the availability and access to the State's power grid.

The approval enables the Company to have access to an industrial specific power grid for all operations at the stockyard, which importantly includes the Phase Two wet beneficiation plant.

The power application and approval was the Company's first time using a single window approval portal under the MoU. The seamless process saw approvals within 6 days of document submission and highlights the strength of relationship under the recently executed MoU with GoAP.

Key Facts

During a World Bank survey in 2015 Andhra Pradesh was rated as #2 state in India for ease of doing business.

The 15-year business plan sees an expected 14% growth rate projected out to 2029 for the State, based on an aggressive infrastructure program for the new State including airports, ports, highways and a new greenfield Capital City located at Amaravati.

Two major initiatives that will impact on the State are the Vizag – Chennai and Bangalore – Chennai infrastructure corridors. The Asian Development Bank is supporting the AP Govt

in the development of the Vizag - Chennai corridor. The \$900m project will have \$700m funded by the ADB and \$200m to be provided by the State Govt. This linkage is part of the much larger Pan Asia land bridge connecting India to China and South East Asia.

State GPD	US\$86 Billion
Per Capita Income	\$1,500
Capital City	Amaravati
Largest City	Visakhapatnam
Cities with more than 1m people	27

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