



2 February 2017

## JV STEEL PLANT – GOVERNMENT ALLOTS LAND

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### HIGHLIGHTS

- Government of Andhra Pradesh formally allots 250.00 acres of land for pellet plant and 750 acres of land for an integrated steel plant.
  - Multiple proposals from large scale EPC contractors received, with technical reviews and discussions ongoing.
  - Current Indian industry norms indicate a possible A\$44-\$52 per pellet tonne operating profit for a NSL owned pellet plant.
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NSL Consolidated Limited (Company, ASX: **NSL**, **NSLO**), is pleased to announce further progress on the Binding Joint Venture Agreement (**JVA**) for the establishment of a greenfield steel making plant in Andhra Pradesh (**AP**).

During the recent Confederation of Indian Industry (**CII**) and Andhra Pradesh partnership summit the Company recently spent time briefing the Government of Andhra Pradesh (**GOAP**) officials as to the status of its Indian operations. This included the Honourable Chief Minister (**CM**) of Andhra Pradesh Chandrababu Naidu in a formal one on one meeting and again in other various forums.

During this meeting and others held with GOAP officials, the CM expressed his delight and ongoing support for the Company in its progress and continued focus on assisting the development of AP, as did all other GOAP officials

Further to this meeting and as part of a formal signing ceremony, the Andhra Pradesh Industrial Infrastructure Corporation Ltd, after careful examination allotted 250.00 acres of land for a pellet plant and 750 acres of land for an integrated steel plant in Orvakal Industrial hub, Kurnool District to M/s. NSL Mining Resources India Pvt Ltd.



**Honourable Chief Minister Chandrababu Naidu presenting the land allotment to Cedric Goode**

Mr Goode commented "With the formal allotment of this land for a pellet and steel plant, we can tick off yet another significant tangible milestone for the Company and its Shareholders. In addition to this, it is again reassuring to receive the support that was committed and has been demonstrated by the Government of Andhra Pradesh, and look forward to future milestones being achieved together as a collective".

Discussions with Chinese EPC Company's continued post the delegation visit as announced 22 December 2016 up to Chinese New Year (**CNY**), and will recommence post CNY.

Based on current Indian mining and pellet industry norms for integrated plants, this indicates a possible A\$44-\$52 per pellet tonne operating profit for a NSL owned pellet plant.

With the favourable analysis obtained to date, the Company is continuing to progress the pellet plant pre-feasibility in line with its Indian iron ore beneficiation strategy.

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