



# NSL Consolidated

25 October, 2011

## NSL QUEENSLAND

### COAL PROJECT MOVES TOWARD FORMAL GRANT

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#### HIGHLIGHTS

- Queensland Government advises of proposed granting of exploration permit for the first of NSL's four thermal coal tenements.
  - Native Title discussions continue across all four EPCA's.
  - All environmental authorities now granted by Department of Environment and Resource Management.
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Dual bulk commodity developer, NSL Consolidated Ltd (**NSL** or **Company**), confirms further progress on the planned development of its four thermal coal tenements covering 2,585 km<sup>2</sup> in the Eromanga Basin in southwest Queensland.

The Company has been working with Government to expedite the granting process and front end Native Title and land owner stakeholder discussions, enabling faster access to site for the commencement of its exploration programme.

As a result of this process, the Government has advertised the NOTICE OF PROPOSED GRANT OF EXPLORATION PERMIT FOR COAL for coal exploration permit EPCA 2198, an area totalling 232 km<sup>2</sup> over 75 sub-blocks located 75 kilometres west of Augathella.

"This is a pleasing development so soon after acquisition and in line with our desire to quickly gain access to all four EPCA's." NSL's Managing Director, Mr Cedric Goode, said today."

"In addition to the progress on EPCA 2198, the remaining three EPCA's 2336, 2337 & 2338 have now all progressed with the recent receipt of the relevant environmental authorities. This is an important step – representing final sign-off from one of the two Government Departments key to giving us the go-ahead."

"As EPCAs 2336, 2337 & 2338 are in the same general locality, there should be an opportunity for more efficient native title and land owner discussions over the total portfolio."

NSL's thermal coal holdings are adjacent to similar projects held by East Energy Resources (ASX: EER) and International Coal Limited (ASX: ICX).

EPCA 2198 has a previously established exploration target of between 500 million and 600 million tonnes<sup>1</sup> of thermal coal, while independent geologists have estimated a

combined exploration target of between 6.6 billion and 18.7 billion tonnes<sup>1</sup> of thermal coal for EPCA's 2198, 2336, 2337 and 2238.

Exploration and development of the thermal coal assets in Queensland is in addition to NSL's development of an Indian iron ore production business on schedule for first mining by first half of next year.

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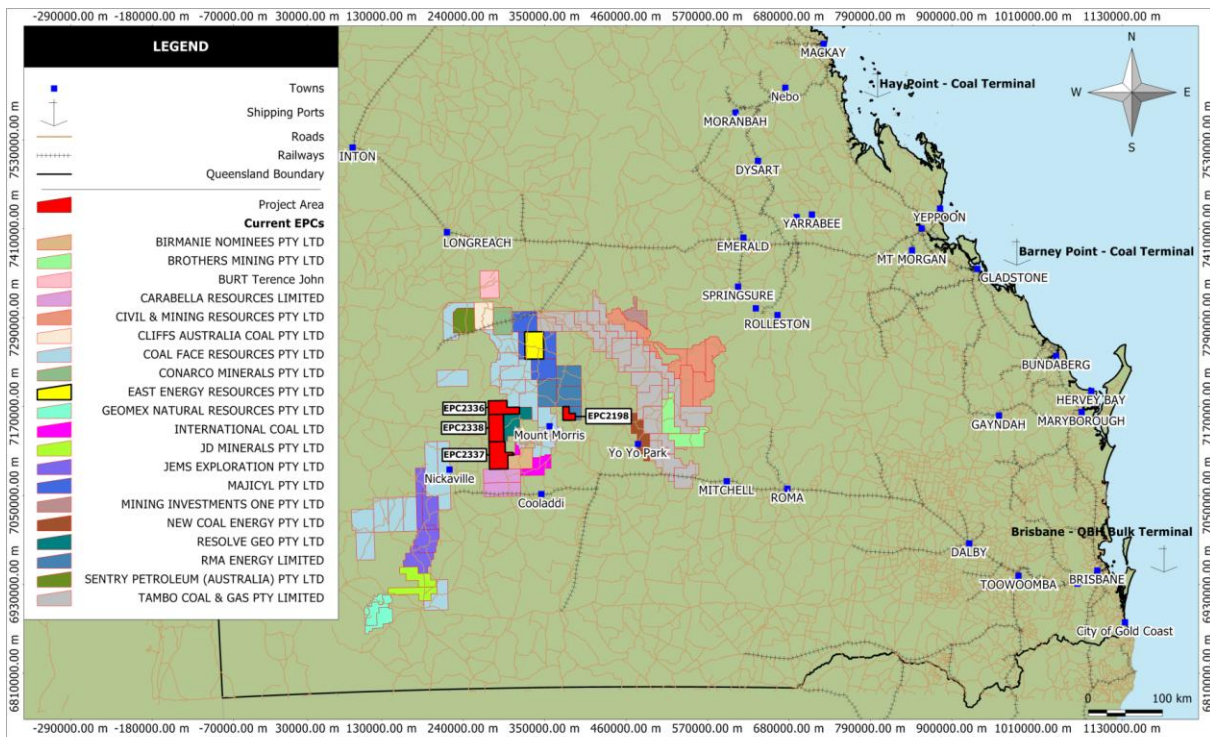
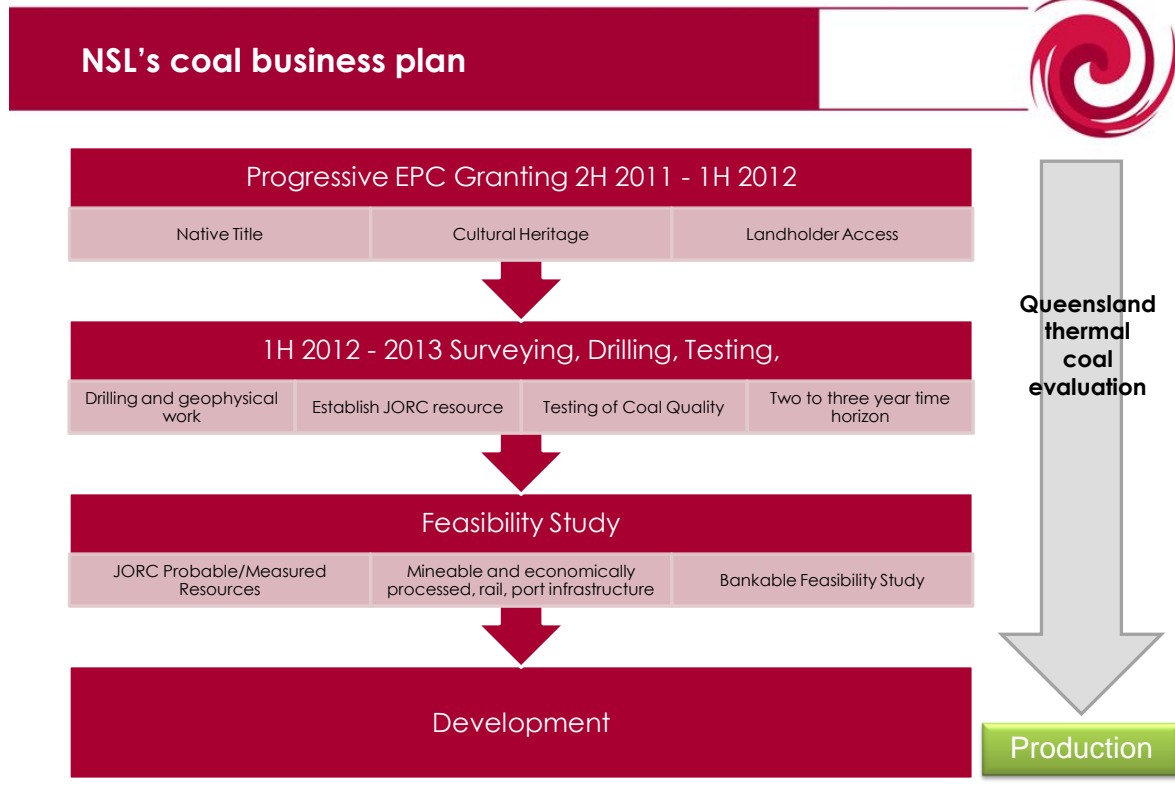
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<sup>1</sup> It should be noted that the tonnages quoted above are conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

**Competent Persons Statement**

Technical information relating to the coal projects in this announcement has been compiled by Mr Mark Biggs, Principal Geologist of Moultrie Database and Modelling. Mr Biggs is a member of the Australasian Institute of Mining and Metallurgy and has over 24 years of experience relevant to the style and type of coal mineralisation under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined by the Australasian Code for Reporting of Minerals Resources and Reserves (JORC) 2004. The estimates of the Coal Resources presented in this Report are considered to be a true reflection of the Coal Resources as at 1<sup>st</sup> March 2011 and have been carried out in accordance with the principles and guidelines of the Australian Code for Reporting of Coal Resources and Coal Reserves published in September 2004 (JORC Code). Mr Mark Biggs consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears

# Appendix One



## Moultrie Database & Modelling

Coordinate System: Australia MGA94 (55)  
 Map Centre X: 439875.21 m  
 Map Centre Y: 7215910.13 m  
 Scale: 1:5700000

File: NSL\_2336,2337 and 2338 for IGR.map  
 Layout: Location Layout  
 Printed: 18/07/2011  
 Author: tosullivan

## Adavale Project: Surrounding EPC's EPCA 2336, EPCA 2337, EPCA 2338 and EPCA 2198