



NSL Consolidated

10th November 2009

\$3.5m capital raising and presold off-take agreement

HIGHLIGHTS:

- \$3.5m raised through placement of approximately 134.6 million shares at 2.6 cents per share.
 - Significant institutional interest leads to increase in the amount raised.
 - Execution of off-take agreement, pre-selling first 200,000 tonnes of iron ore.
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A\$3.5M CAPITAL RAISING

NSL Consolidated (ASX:NSL) is pleased to announce it has secured commitments for a \$3.5m placement to fund:

- a purchase price instalment for its first Indian iron ore project;
- development of its Indian iron ore projects; and
- general working capital.

The placement will occur in two tranches, with 90 million shares being issued under the Company's 15% placement capacity and the balance subject to shareholder approval in mid-December 2009.

NSL's Managing Director Cedric Goode said significant investor interest in the raising resulted in the placement pricing at 2.6 cents, representing only a 6.2% discount to the 5 day VWAP of 2.8 cents. The strong interest and heavy oversubscription resulted in the amount raised under the placement being increased from \$3m to \$3.5m.

"We are delighted with the market's support for NSL's business model and growth strategy within the Indian iron-ore market. This raising has introduced a number of key investors to our register and provides NSL with a strong investor platform to continue its growth strategy." Mr Goode said.

The placement was lead managed by StoneBridge Securities Limited.

OFF-TAKE AGREEMENT WITH CHINESE CUSTOMER

NSL also announces today that it has secured its first pre sold off-take agreement for ore from its Indian iron ore projects, with a sale of 200,000 tonnes of ore to a Chinese customer.

Under the off-take agreement, NSL will commence shipment of ore in January 2010, with the final shipment to be supplied by the end of May 2010.

Mr Goode said the sale was an historic moment for the Company as it develops its two iron ore projects.

"Under the terms of the off-take contract, we have secured agreement for the shipments to be pre-paid under one letter of credit," Mr Goode said.

"This arrangement provides NSL with the opportunity to leverage the letter of credit to source additional funds for our development program."

"We are fortunate that the acquisition agreements in relation to the two Indian iron ore projects currently under contract allow NSL to commence mining and selling of product before completing the acquisitions which is due to occur in March 2010 and beyond."

COMPANY DESCRIPTION

NSL consolidated is an Australian-based company which is developing iron ore projects in India with the assistance of Natural Resource Consulting (refer Appendix). The company recently announced the proposed acquisition of two mining projects in Southern India, which will lay the foundations for NSL's target of producing 3 million tonnes per annum of Indian iron within three years, and 5 million tonnes per annum in 5 years.

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For more information:

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APPENDIX

Natural Resources Consulting Pvt. Ltd (NRC)

Natural Resources Consulting Pvt. Ltd (NRC) is a newly incorporated company promoted by Podar Enterprise and specialising in entire consulting activities right from identification of resources, technological due diligence, legal due diligence, feasibility study, negotiations, application for mining liaison, follow up for mining license and finalisation, post acquisition activities management and finance tie ups.

Apart from its in-depth knowledge and contacts in India, it has strategic alliances in CIS, South Africa, Australia, Suriname and China offering huge resource opportunities in coal, iron ore, manganese, bauxite and gold.

Podar Group of India

The group was established in 1909 and has wide experience of international industry and trade for 100 years. Podar is well diversified organisation with activities of Government Trade Houses, International Divisions, Information, Communication and Entertainment, Mining & Manufacturing, Advisory & Consulting and Sports Education. The group has three firms which are the official Trade Houses for the Governments - Moscow Regional Administration, Republic of Belarus and Republic of Benin.

- BPIL - Belarus Podar International Limited (1997)
- MRPIL - Moscow Region Podar International Limited (1999)
- IBECC - Indo Benin Economic Corporation & Co. (2004)

The Moscow Regional Administration agreed to take up equity in the Podar Group and appointed the Honourable Minister of Foreign Economic Relations on the Board of the Company.

The Group has successfully established a global network in over 18 countries giving it access to unlimited trade, investment and joint venture opportunities.

Chairman Mr. Kantikumar R. Podar is placed well respected and has broad commercial networks, being the First Indian President of the SAARC (South Asian Association for Regional Co-operation) Chamber of Commerce. He was also the Chairman / President of various Chambers of Commerce and Trade including the Premier Chamber i.e. Federation of Indian Chamber of Commerce and Industries (FICCI).

Managing Director Mr. Rajiv K. Podar was delegated rights by the Ministry of Foreign Economic Relations of the Republic of Belarus and by the Ministry of Industry, Trade and Employment Promotion of Republic of Benin to negotiate any matter concerning expanding and deepening the trade & economic relations with India. He also holds authorisation / rights of several other concerns, enterprises.

The Group is also committed to charity and the society having over 37 charitable schools, colleges, management institutes, hospitals and vocational training centres. in India. Mahatma Gandhi, Father of the Nation, was the first Chairman Trustee of the Trust established by Podars in the year 1921.

Products group interested / dealing in: Coal, Coke, Fertilizers, Non-Ferrous Metals, Steel, Iron Ore, Manganese, Oil & Oil products, Food products, Textiles, Fabrics, Yarns, Petrochemicals, Construction Material, Wireless Equipments and Electronics.