



31 July 2017

SALES DIRECT TO STEEL MILL CONTINUE ON REGULAR BASIS

HIGHLIGHTS

- Recurrent business cycle established with Minera, with additional payments and dispatches occurring during the week.
 - Approximately 1000 tonnes have now been delivered.
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NSL Consolidated Limited (Company, ASX: **NSL**), wishes to update the market regarding sales of its 60/61% Fe filter cake (wet plant product).

As announced on 24th July the Company advised that sales and dispatch of product direct to Minera Steel and Power Pvt Ltd ("**Minera**") had commenced. These deliveries were pursuant to an initial 5,000 tonne order of 60/61% Fe filter cake, on commercial terms similar to other orders. The exact terms remain commercial in confidence and it should be noted the 5,000 tonne order size is representative of the Indian industry norm.

The Company is pleased to further advise that both Minera and the Company have implemented a recurring business cycle of regular advance payments deposited by Minera, and continued dispatch of product by the Company. Approximately 1,000 tonnes have now been delivered in the week as the process has been established and implemented.

Dispatch of the premium 60/61% Fe filter cake to Minera commenced on Saturday 22nd July, with supply into the initial order expected to be completed in the following weeks from stockpiles. This fast turnaround of order, advance payment, dispatch and now repeated cycles, coupled with Minera reconfiguring their plant to accept NSL product, highlights Minera's intent to continue to work with NSL. In addition, Minera has communicated that they desire 15,000 tonnes per month of this premium 60/61 Fe product for their operations.

The Company expects customer sales to increase progressively month on month from August, of between 5,000 -10,000 tonnes per month, to achieve a run rate of 200,000 tonnes per annum during October 2017.

Sales negotiations for the Company's product are ongoing with various other customers, including JSW Steel, Gerdau Steel, Srikalahasthi and other smaller steel plants.

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Loading and dispatch of the 60/61%Fe filter cake to Minera.

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