



19 April 2017

NEW CUSTOMER – 20,000 TONNE PURCHASE ORDER RECEIVED

HIGHLIGHTS

- 20,000 tonne Purchase Order received for premium 63% Fe from new customer, with A\$65 ex gate sales price.
 - Customer base expanding, with additional customers having conducted site visits in past week.
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NSL Consolidated Limited (Company, ASX: **NSL**), wishes to update the market regarding the progress of its Phase Two Wet Beneficiation Plant.

The Company is pleased to advise that it has now received a commercial Purchase Order (**PO**) for 20,000t of the premium product produced by the Phase Two wet beneficiation plant to be supplied over the coming months. The PO issued by Infinity Ores (**IFO**) is for the supply of 20,000 tonnes of 63% Fe filter cake (wet plant product). The negotiated sales price for the initial PO is A\$65 (equivalent) ex gate with payment in advance based on 1,000 tonne lots.

Mr Goode commented, "The NSL team is very pleased to have now received an order from another customer, Infinity Ores, indicating a growing demand for the NSL product. Importantly, this has allowed NSL to diversify its customer base along with better commercial terms which includes prepayment for our product. Better commercial terms are on the back of continued strength in the local domestic price."

The Company is currently working through operational/plant changes to enable the routine production of the +63% Fe product for IFO. The short term operational changes include the blending of higher grade feed as/when supplied by IFO with existing plant feed. The plant changes will incorporate the addition of a thickening circuit to the process flow to assist with water recycling. These changes will not affect the delivery into the IFO PO.

The wet beneficiation plant commenced 2 shift operations as planned at the beginning of April, and is currently scheduled to move to 3 shift operations as announced previously by the end of April.

The Company, the only Australian or foreign company to own and operate in India's massive iron ore market has established its Phase Two wet beneficiation plant that will produce premium price iron ore product nominally grading between 58-62% at around 200,000 tonnes p.a. The Phase Two wet beneficiation plant at the existing NSL stockyard will be fed material from NSL's mines.

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