

26 APRIL 2022

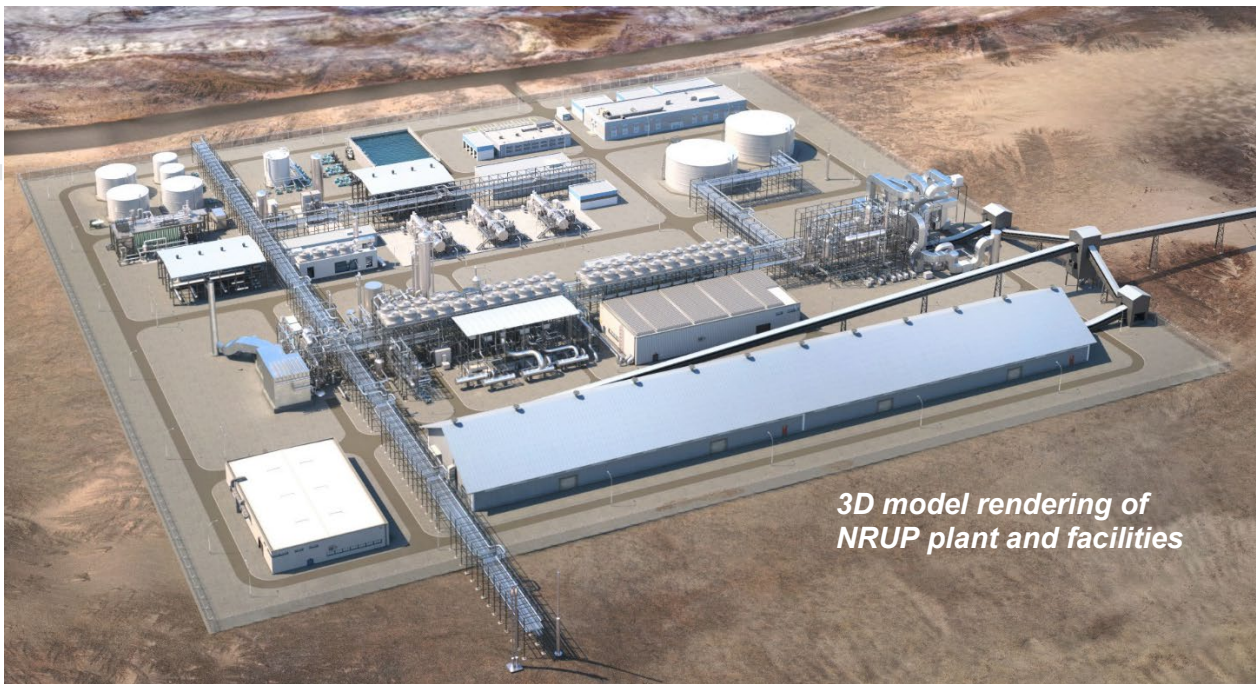
ASX ANNOUNCEMENT (ASX:NRZ)

NeuRizer Quarterly Report March 2022

NeuRizer Limited ("NRZ" or "the Company") provides this operations update for the three months to 31 March 2022.

Highlights

- Commitment to the project vision with name change to NeuRizer
- Commitment to carbon neutrality with Climate Active Certification awarded
- Initial Bankable Feasibility Study completed
- Appointed PwC as Strategic Debt Advisor to accelerate funding of the construction phase
- Commencement of onsite activity
- DL E&C Co. Ltd. (DL) to develop the concept design of the Carbon Capture and Storage facility



*3D model rendering of
NRUP plant and facilities*

NeuRizer Managing Director, Phil Staveley, commented on the March 2022 quarter's activities:

"This quarter has been particularly active with good progress towards the Bankable Feasibility Study and Final Investment Decision to be completed by the end of the year."

"One of the most exciting developments this quarter has been the launch of the company under its new brand – NeuRizer, which reflects a commitment to the Company's ambition to create a facility capable of producing carbon neutral fertiliser."

"We are also closely watching the market supply and demand dynamics during the current crisis in Ukraine, a country which has been one of the largest exporters of urea fertiliser. The NeuRizer Urea Project represents an opportunity to provide Australian farmers with an important supply input and supporting national food security is particularly important during times of global unrest."

"The NeuRizer Board and management would also like to thank those investors who supported the Company in participating in the Share Purchase Plan through February. We were pleased to raise a total of \$2.9 million supporting efforts to progress this nationally significant project."

The launch of NeuRizer

Shareholders overwhelmingly approved the renaming of the company to NeuRizer ("NRZ") in March, a name that better reflects the dominant business purpose and vision of the Company and also underpins the commitment to bringing this nationally significant project to completion. NeuRizer's ambition is to build the first domestic facility in Australia capable of producing carbon neutral fertiliser.

The company's securities are now trading on the Australian Securities Exchange (ASX) under the ASX code **NRZ**.

The new name, NeuRizer, better reflects the dominant business purpose and strategy of the Company. NeuRizer's ambition is to create a world leading, low-cost domestic urea manufacturing capability in South Australia that will help feed the world's ever-growing population.

The NeuRizer name incorporates the "N" in nitrogen fertiliser (urea). The "Neu" relates to a new way of producing urea - one which has a net zero carbon footprint. The "Rizer" relates to the crops which rise from the ground and are dependent on urea to do so; it gives a nod to the product – fertiliser, and it relates to the upwards trajectory of a new manufacturing company.

The brand was officially launched on 31 March 2022 at the iconic Adelaide Oval. Amongst those in attendance were DL Global Chief Executive Officer, Mr Changmin Ma, and several DL senior executive, who were visiting Adelaide to meet with NRZ management to strengthen the relationship between the two companies and to progress the NRUP.



*DL E&C Co. Ltd
Global CEO, Mr
Changmin Ma,
speaking at the
NeuRizer launch
event, 31st March
2022, Adelaide
Oval, South*

NeuRizer

TOWARDS A CARBON NEUTRAL WORLD

Level 11, 19 Grenfell St
Adelaide SA 5000

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After an introduction by NRZ Chairman, Justyn Peters, the event was launched by DL Global CEO Mr Chiangmin Ma who noted amongst other things:

Urea Offtake Agreement with NRZ - Mr Ma was keen to update the audience on the substantial progress that has been made since DL's trading subsidiary, Daelim, entered a Heads of Agreement (HoA) with NRZ in November 2021, to pre-purchase 500,000 tonnes of NRUP urea.

"We are sure that ... the high-quality carbon neutral Australian made urea products could be introduced to the global market."

International infrastructure experience - Mr Ma referenced DL's extensive experience in constructing and commissioning large scale ammonia and urea facilities, similar to the NRUP.

"In addition, not just as an EPC contractor, but as a total solution providing developer, we will create further value to the project with support of our DL group participation."

Carbon Capture and Storage experience - DL has recently demonstrated what is perhaps a world first achievement in delivering 'carbon negativity' (ie. removing more carbon dioxide from the atmosphere than produced), through a recent project in South Korea by combining bioenergy with carbon capture and utilisation, or BECCU, with hopes of delivering this technology to Australia.

"... we are proud to confirm that we have entered into a MOU with Australian DriveTrain, an affiliate company of Engenco, to diversify further business presence of CCUS technology in Australia."

DL presence in Australia - DL has successfully completed many infrastructure projects in more than forty countries worldwide since 1966. DL has stated its intention of increasing its project influence in Australia, using the NRUP as its first project.

"It is a great pleasure to be attending this milestone "re-branding" event as your partner, which is promising landmark for us to introduce our business philosophy of creating value in Australia. This business will produce Australian made urea fertilizer manufacturing facilities with eco-friendly carbon capture technology and as well sequestration. I am sure that this great new vision would be recognized as solution for global food problem and carbon reduction, contributing to people lives and environment as well and we are proud to be part of the first integrated project in the world to cover the full cycle."

"I am certain that our company could be a trustworthy companion to contribute to Australian market, creating thousands of jobs with environmental values by our proven commercial CCUS solution."

South Australian Cabinet Minister, the Honourable Clare Scriven MLC, Minister for Primary Industries, Regional Development and Forest Industries, also addressed the guests at the NRZ Launch Event, on the importance of sovereign manufacturing capability and supporting regional economies.



The Honourable Clare Scriven MLC, South Australian Minister for Primary Industries, Regional Development and Forest Industries, speaking at the NeuRizer launch event, 31st March 2022, Adelaide Oval, South Australia

Minister Scriven spoke of the importance of the government's vision to support farmers in Australia and businesses in South Australia:

"As the Minister for Primary Industries and Regional Development, I welcome and support businesses that can improve and support our primary industries sector, as well as a much provided and needed boost to our regional economies ... the primary industry sector has faced many, many challenges in recent years, from drought, fires, flooding and ... the dramatic increase of input costs and the reduced availability of farm-based products, including fertiliser."

"NeuRizer and DL have shown true initiative in recognising the domestic market gap for fertiliser for Australian farmers, and it's wonderful to see the partnership between NeuRizer and DL."

"The Malinauskas Labor government is keen to support business, and we will work with private enterprise to expand the overall economy and will continue to support local manufacturing and modernising workplaces."

"... I congratulate NeuRizer in their business direction shift to fertiliser manufacturing ... I look forward to working with businesses such as NeuRizer and DL in the coming years as they explore opportunities in our great state ... "

The Honorable Geoff Brock MP, Minister for Local Government, Regional Roads and Veterans Affairs, and local member for the NRZ project area, also attended along with a number of senior South Australian public servants from the departments of Primary Industries, Trade and Investment, and Energy and Mining.

Other industry guests and partners included senior representatives from DL's trading company, Daelim, Samsung C&T, Stamicarbon, KBR, and PT Pupuk Indonesia, an Indonesian State-Owned Enterprise, one of the largest manufacturers of urea in the world.

The NeuRizer Urea Project ("NRUP" or "the Project") will be one of the biggest infrastructure projects of its type in Australia, providing long term economic development and employment opportunities for the communities of the Upper Spencer Gulf region, northern Flinders Ranges and South Australia. We were pleased to have a strong representation from both industry and government at the event in recognition of the importance of this project.

NeuRizer Urea Project Progress

The NRUP is progressing well and in line with the Project's forecast timeline.

The Initial Bankable Feasibility Study (BFS) was completed towards the end of the quarter paving the way for early discussions with potential funders in the lead up to finalising the Final BFS and the Final Investment Decision (FID) which is expected to be in Q4 CY2022.

NeuRizer has now appointed PwC as a strategic debt advisor to provide advice on funding from the selection of an appropriate investment bank through to final settlement. Formal completion of the BFS will allow NeuRizer to finalise the 70% finance agreed with a major South Korean bank to bring NRUP to commissioning and PwC will advise the Company on a range of funding options for the balance of 30% funding for the Project.

Other significant progress made during the quarter includes:

- Application under Section 23 of the Aboriginal Heritage Act 1988 was approved by the South Australian Minister for Aboriginal Affairs and Reconciliation authorising the development of in-situ gasification for the NRUP (4 January)
- Syngas Technology Australian Patent application submitted (9 February)
- Factory Acceptance Testing commenced on the Siemens syngas fired power generators (22 February)
- Receipt of formal Activity Notification from the Department of Energy and Mining for Shallow Investigation Drilling to provide geological, geotechnical and environmental information for Stage 1 and Stage 2 Design
- Commencement of onsite activity associated with the construction of the Project's gasification wells and power generator areas commenced (21 March)



Drill rigs and teams geotechnical investigations associated with the construction of the NRUP) gasification wells and power generator areas.

Carbon Neutral from 2022

NeuRizer is committed to reducing its carbon footprint and is working towards becoming the first large scale fertiliser project in the world to be carbon neutral.

On 22 March 2022 NeuRizer announced that it had successfully obtained Carbon Neutral certification for its business operations through Climate Active, a partnership between the Australian Government and Australian businesses to drive voluntary climate action.

The certification process vetted NeuRizer's carbon neutral position for Scope 1, 2 and controllable scope 3 emissions through independent experts to ensure it met the requirements of the Climate Active Carbon Neutral Standard for Organisations.

NeuRizer is committed to maintaining this status, which is assessed on an annual basis, through to commissioning and operation.



Mulpun ISG Project in Chile

In January the Company announced that it had entered into a Memorandum of Understanding to exclusively negotiate the acquisition of the Mulpun ISG Project in Chile.

These negotiations have been terminated by the Company as the project did not meet the Company's investment requirements during the Due Diligence process.

Subsequent to end of quarter Milestones

Subsequent to the end of the quarter, the follow milestones were delivered:

1. Preliminary agreement with DL E&C to develop the concept design and Front-End Engineering and Design (FEED) of the Carbon Capture and Storage facility (4 April)
2. The Company announced the appointment of top tier technology licensors for the NRUP. These companies will provide essential information into the FEED for the NRUP:
 - a. **Kellogg Brown and Root** (KBR) has been appointed as the ammonia licensor (7 April) - KBR is a distinguished technology and engineering company that will provide high-quality advice and support that is needed for the Basic Engineering Design (BED) and post-BED services, as well as to supply the necessary equipment for the ammonia manufacturing plant.
 - b. **Stamicarbon** has been appointed as the urea licensor (13 April) - Stamicarbon is the innovation and license company of Maire Tecnimont Group, the global market leader in the design and development of fertiliser plant technologies, with urea, green ammonia and nitric acid being the core business. It will provide the Project Design Package (PDP) and post PDP services
3. Justyn Peters, NRZ Executive Chairman, recorded an interview about the progress NRZ has made in 2022. Topics covered included:
 - Rationale behind company name change
 - Global partnerships
 - Update on progress with offtake agreements
 - Update on BFS, FEED and CCS
 - Discussion on several facets of the recent progress of the NRUP at Leigh Creek.

The interview can be accessed in this link: <https://www.youtube.com/watch?v=hc4IT4CDWOM>

Urea Market Update

Strong market fundamentals were confirmed as part of NeuRizer's interim Bankable Feasibility Study. The global long-term outlook for urea is positive with international developments confirming a clear opportunity for the NRUP.

The fundamental economics of global urea production have been significantly impacted by a number of factors, all combining to reduce global supply capacity and reliability. These factors include:

- a rising underlying gas price for overseas manufacturers, increasing their cost base
- decreasing gas exploration, meaning gas feedstock supplies are not being added to
- the Russian invasion of Ukraine; and
- persistent supply chain disruptions and backlogs due to the pandemic.



FINANCIAL REVIEW

Prime Minister, the Hon. Scott Morrison, MP, 8 March 2022, AFR Business Summit Opening Address
“... “enormous potential” to grow the manufacturing sector ... seven key initial categories of goods that need attention and are considered important to the “national interest” ... include fertilisers, pesticides, herbicides, rodenticides as well as chemical compounds like urea or ammonia ...”

The impact of these factors on supply chains for Australian farmers places greater reliance on domestic manufacture of urea as a critical input into Australian agricultural production systems and has attracted the attention of the federal government which is seeking to increase the security of supply and sovereign manufacturing capability of this essential input.

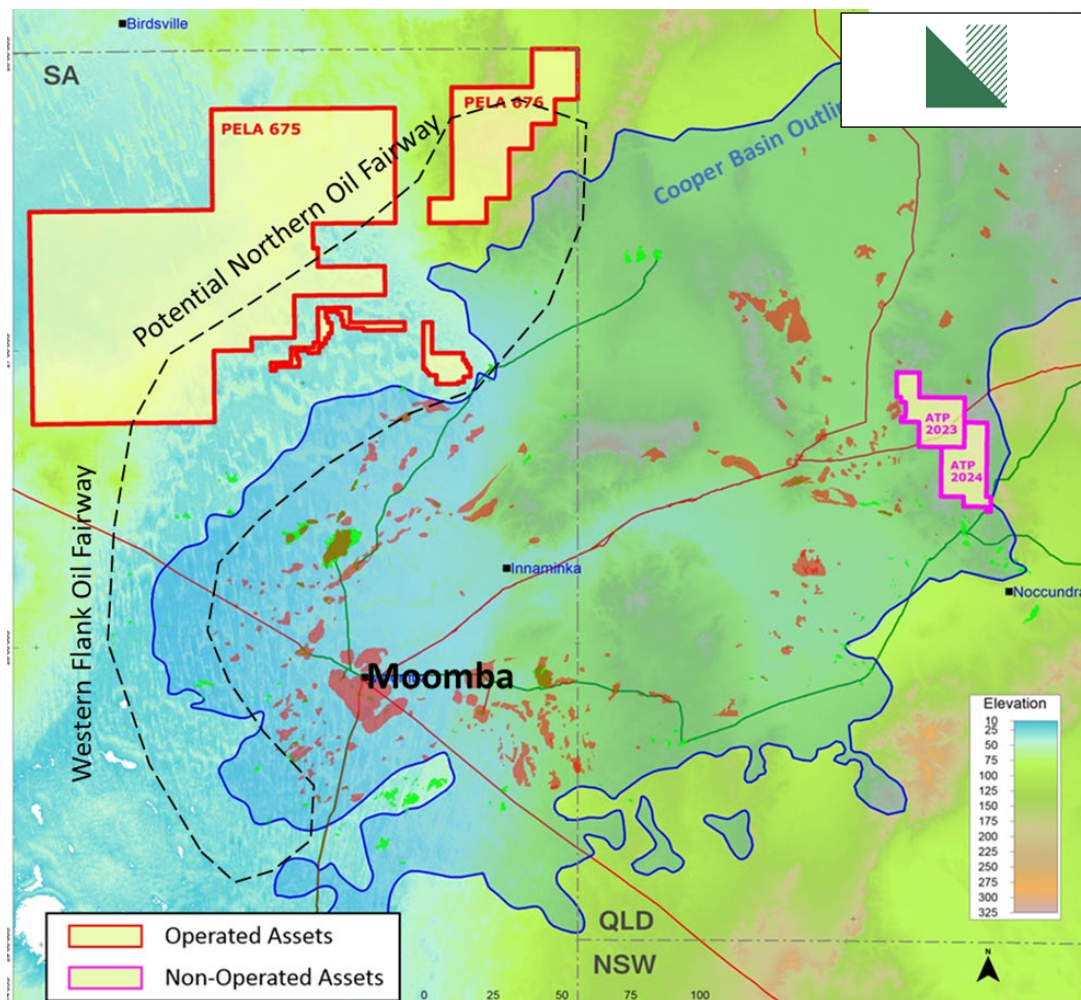
With Incitec Pivot’s Gibson Island manufacturing plant closing at the end of December 2022, there has never been a greater need for domestic capability that is immune to external market factors.

Strategic Review of LCOG Assets underway

NRZ, through its wholly owned subsidiary, Leigh Creek Oil and Gas Pty Ltd (LCOG), has interests in a number of petroleum tenements in the Cooper Basin, being:

1. Authority to Prospect (ATP) 2023
2. ATP 2024
3. Petroleum Exploration License (PEL) 676; and
4. PEL Application (PELA) 675.

The Company is undertaking a strategic review of these interests and their near-term development potential.



LCOG Cooper Basin tenements

Finance & Corporate

As announced on 4 March the Company raised \$2.70m via a Share Purchase Plan and a further \$0.23m through a share placement to sophisticated investors bringing the total proceeds from new shares issued to \$2.93m. Funds will be used to progress development of the Project.

As of 31 March 2022, the Company's total cash balance was A\$5.998m.

The accompanying Appendix 5B (Quarterly Cashflow Report) includes a summary of cashflow inflows and outflows for the quarter, including amounts in item 6.1 which include executive and non-executive director fees paid as salaries and wages.

Tenements

The tenements held by the Company at the end of the quarter are shown in the table below:

Tenement	Percentage Interest	Grant Date	Location
Petroleum Exploration Licence 650	100%	18 November 2014	Leigh Creek, SA
Petroleum Exploration Licence Application 582	100%	Application Approved	Finniss Springs, SA
Petroleum Exploration Licence Application 643	100%	Application Approved	Callabonna, SA
Petroleum Exploration Licence Application 644	100%	Application Approved	Roxby Downs, SA
Petroleum Exploration Licence Application 647	100%	Application Approved	Leigh Creek, SA
Petroleum Exploration Licence Application 649	100%	Application Approved	Oakdale, SA
Petroleum Exploration Licence Application 675	100%	Application Approved	Cooper Basin, SA
Petroleum Exploration Licence 676	100%	2 September 2021	Cooper Basin, SA
Petroleum Retention Licence 247	100%	5 June 2020	Leigh Creek, SA
Petroleum Production Licence 269	100%	24 November 2020	Leigh Creek, SA
Gas Storage Exploration Licence 662	100%	5 February 2016	Leigh Creek, SA
Authority to Prospect 2023	0%	8 April 2020	Cooper Basin, SA
Authority to Prospect 2024	0%	8 April 2020	Cooper Basin, SA

The Board of NeuRizer Limited authorised this announcement to be given to the ASX.

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About the NeuRizer Urea Project

NeuRizer (NRZ) is the company responsible for progressing the NeuRizer Urea Project (NRUP). NRUP is a nationally significant project that will deliver low-cost, high-quality nitrogen-based fertiliser ensuring a secure supply for local and export agriculture markets. Located in South Australia, 550 kilometres north of Adelaide, the NRUP will initially produce 1Mtpa of urea fertiliser with potential to increase to 2Mtpa.

NRZ is a certified carbon neutral organisation having been awarded Climate Active certification in March 2022 and is a signatory to the United Nations Global Compact. The NRUP is carbon neutral by design, and the decarbonisation pathway for the NRUP is embedded in the Front-End Engineering and Design (FEED) process to ensure that the NRUP achieves zero carbon operations from first operations in 2025.

The NRUP will significantly increase Australia's sovereign manufacturing capability for fertiliser supporting Australian agricultural food production. The NRUP will strengthen supply chain resilience that will benefit Australian farmers and, to a lesser extent, the industrial sector where urea is used as a supply input (eg. diesel additive (AdBlue), industrial resins, etc.) by reducing the nation's reliance on imports.

The NRUP will be one of the biggest infrastructure projects of its type in Australia, providing long term economic development and employment opportunities (2,250+ construction jobs plus 1,200+ ongoing positions) for the communities of the Upper Spencer Gulf region, northern Flinders Ranges and South Australia.

The NRUP will be the only fully integrated urea production facility in Australia, with all inputs (gas, power and CO₂) for low carbon urea production on-site, meaning NRZ will control both supply and price of these major cost inputs, regardless of prevailing market conditions and supply chain dynamics.



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

NEURIZER LIMITED

ABN

31 107 531 822

Quarter ended ("current quarter")

March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(592)	(2,079)
(e) administration and corporate costs	(1,382)	(4,070)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,973)	(6,148)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(26)	(58)
(d) exploration & evaluation	(3,120)	(19,933)
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other – investment in long-term bank deposits	-	(630)
2.6	Net cash from / (used in) investing activities	(3,146)	(20,621)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,879	10,379
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	30
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(69)	(372)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(9)	(83)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	2,801	9,954

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,316	22,813
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,973)	(6,148)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,146)	(20,621)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,801	9,954

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	5,998	5,998

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,792	6,793
5.2	Call deposits	206	1,523
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,998	8,316

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	347
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Explanation:

Executive and Non-Executive Directors fees.

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Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)	15,000	7,500
7.4 Total financing facilities	15,000	7,500
7.5 Unused financing facilities available at quarter end		7,500
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
As per ASX Announcement 17 December 2021, the Company entered into a share placement agreement with Energy Exploration Capital Partners, LLC to raise net proceeds of \$15m. \$7.5m had been received at 31 March 2022.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,973)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,120)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(5,093)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,998
8.5 Unused finance facilities available at quarter end (item 7.5)	7,500
8.6 Total available funding (item 8.4 + item 8.5)	13,498
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.65
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 April 2022

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.