

5 SEPTEMBER 2022

ASX ANNOUNCEMENT (ASX:NRZ)

SA Government grants exclusive right to negotiate rail access

NeuRizer Ltd (ASX:NRZ) (“NeuRizer” or “the Company”) announces that the South Australian Government has positively responded to NeuRizer’s proposal for NRZ access to the railway corridor assets between Leigh Creek (the site of its flagship NeuRizer Urea Project – NRUP) and Port Augusta, in South Australia, by granting NeuRizer a 6 month period of exclusivity to prepare a business case to enable the South Australian Government to undertake an assessment of the NRZ proposal.

NeuRizer Managing Director comment:

Managing Director Phil Staveley said, “This is an important step on the path to production of urea at Leigh Creek as it will enable cost effective, efficient transport of our carbon neutral urea fertiliser to both the export and domestic markets. For domestic markets it will result in lower costs for our customers whilst simultaneously offering a higher realised price to NeuRizer.”

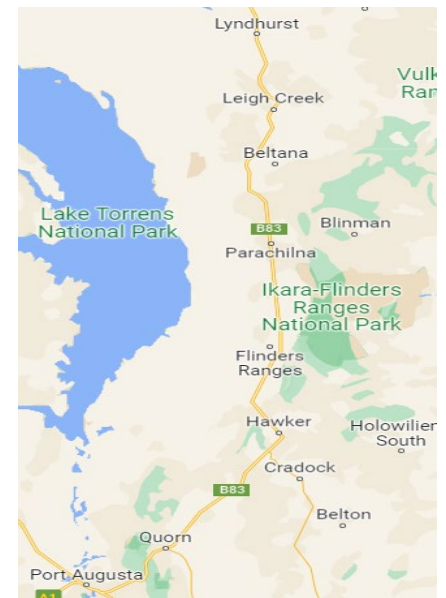
Rail Asset

NeuRizer has submitted a proposal (formally known as an Unsolicited Proposal) to the South Australian government for NRZ to take ownership of the rail assets or to lease those assets on similar terms that existed when the Leigh Creek coalfield was in operation.

NeuRizer’s proposal was submitted to the South Australian Department of Treasury and Finance and highlighted the benefits of reducing road traffic, increasing safety and reducing government spending on road maintenance.

The rail assets (rail lines, sleepers, bridges, culverts etc) are owned by the South Australian Minister for Transport and cover approximately 250km of rail freight corridor, that starts at the NRZ site at Leigh Creek and extends to the port facilities at Port Augusta.

The railway will be used to move the 1 million tonnes of urea that will be produced by the NeuRizer Urea



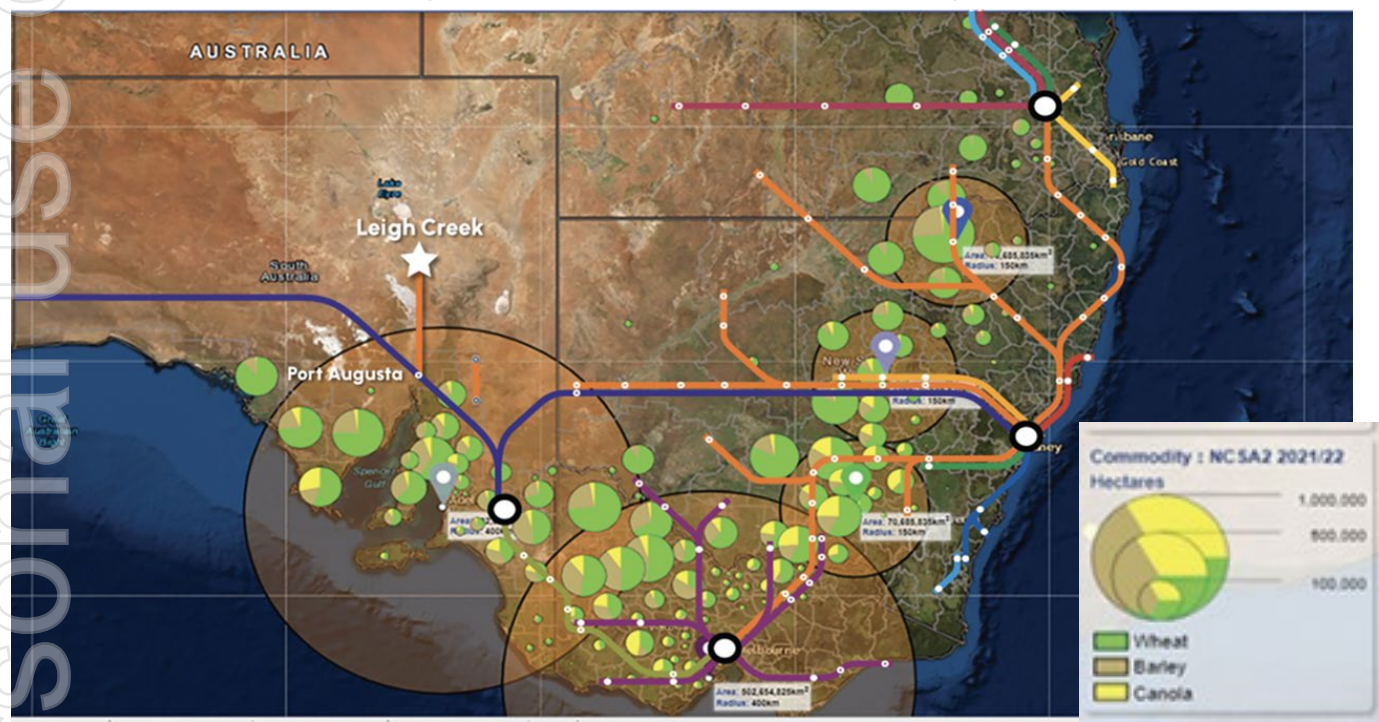
Project to Port Augusta for further distribution in Australia. Port Augusta is the central point of the Australian national rail network.

Importance of Rail for Distribution

Export: With the operating site being on the rail network (at Leigh Creek), NeuRizer is able to deliver its carbon neutral urea to export ports in a cost-effective manner.

Domestic: NeuRizer is currently planning for its domestic distribution to be performed entirely by rail. This plan will enable NeuRizer to sell directly to customers and so to access the retail not merely the wholesale prices. This could offer significant savings to retail customers as well as significantly increased margin to NeuRizer.

Map of the national rail freight network in south eastern Australia, showing nodes of demand for NRZ urea



Summary

The South Australian government's positive response to NeuRizer's Proposal for its use of the Leigh Creek to Port Augusta rail corridor further evidences government's strong support for the NRUP.

This support will:

- Enable a key manufacturing and distribution facility to be built in regional South Australia;
- Enable cost-effective carbon neutral urea to be delivered to farmers;
- Enable NeuRizer to access higher domestic prices (retail not wholesale).

The NRZ Executive Chairman has authorised this announcement for release to the ASX.

NeuRizer

TOWARDS A CARBON NEUTRAL WORLD

Level 11, 19 Grenfell St
Adelaide SA 5000

neurizer.com.au

Further Information

Investors

Tony Lawry

T +61 412 467 160

E tony.lawry@neurizer.com.au

Media

Nick Howe

T +61 0407 183 221

E nhowe@gracosway.com.au

About NeuRizer Ltd

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.



A message for NRZ Shareholders

Our company is committed to being a carbon neutral organisation and successfully achieved this in March 2022. To assist us in continuing to reduce our CO₂ footprint, we are asking all our shareholders to provide an email address to receive their communication online. This assists NeuRizer achieving a lower CO₂ footprint and contributes to global target in line with the Paris Agreement.

Please go to: www.computershare.com.au/easyupdate/NRZ

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