

17 June 2022

ASX ANNOUNCEMENT (ASX:NRZ)

Infrastructure Agreement signed with South Australian Government



NeuRizer Ltd (“NRZ”, “NeuRizer” or “the Company”) advises that it has executed an Infrastructure utilisation Licence Agreement (“Licence”) with the South Australian Government for the exclusive use of existing infrastructure at the site of the NeuRizer Urea Project (NRUP), at Leigh Creek in northern South Australia. This agreement allows for significant efficiencies and cost savings by leveraging existing infrastructure on site.

Highlights

- The agreement allows for exclusive use of significant existing infrastructure
- The infrastructure licence (see figure 1 below) covers such items as:
 - a. Fully serviced administration building (with existing air conditioning, heating, power and communications) of approximately 1,040m² in size – includes reception area, offices, meeting rooms, lunch room, storage, and additional administration facilities comprising of a 330m² training and medical facility and 295m² maintenance support building;
 - b. Major warehouse of approximately 3,120m² in size, containing a 36 tonne gantry crane, three-phase power, heating and cooling, high entry and egress points, and administration area;
 - c. Maintenance warehouse of 3,120m² with 15 tonne gantry crane;
 - d. Drill/blast shed of 600m² with 10 tonne gantry crane;
 - e. Storage sheds of approximately 1,980m² and 885m² respectively;
 - f. Equipment and vehicle wash facility;
 - g. Various other smaller buildings;
 - h. Extensive network of Groundwater monitoring and production wells.



Figure 1: Aerial photo of buildings, labeled with sizes

NRZ Managing Director Phil Staveley commented:

"We're grateful for the continued support of the newly elected State Government and its agencies in progressing this project of national significance. The granting of use of the existing infrastructure on site by the South Australian Government not only leads to great cost and time efficiencies in our construction schedule but also sits directly in line with our mission to minimize our carbon footprint through clever reuse/repurposed/recovery approach by use of on-site energy, feedstock and infrastructure and in the same time minimize the traffic on our roads."

NeuRizer will commence upgrades to the existing infrastructure immediately with maintenance/upgrade occurring contemporaneously to other Stage 1 work.

The infrastructure assets have an estimated replacement cost of between 50 and 70 million dollars representing a significant cost saving to the NRUP construction cost. This opportunity will become part of the Front-End Design and Engineering (FEED) process currently underway with NRZ's international partners, and the significant cost saving reflected in the Bankable Feasibility Study following FEED completion and as well our groundwater baseline will start immediately and this will significantly decrease the upstream capex.

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

Further Information

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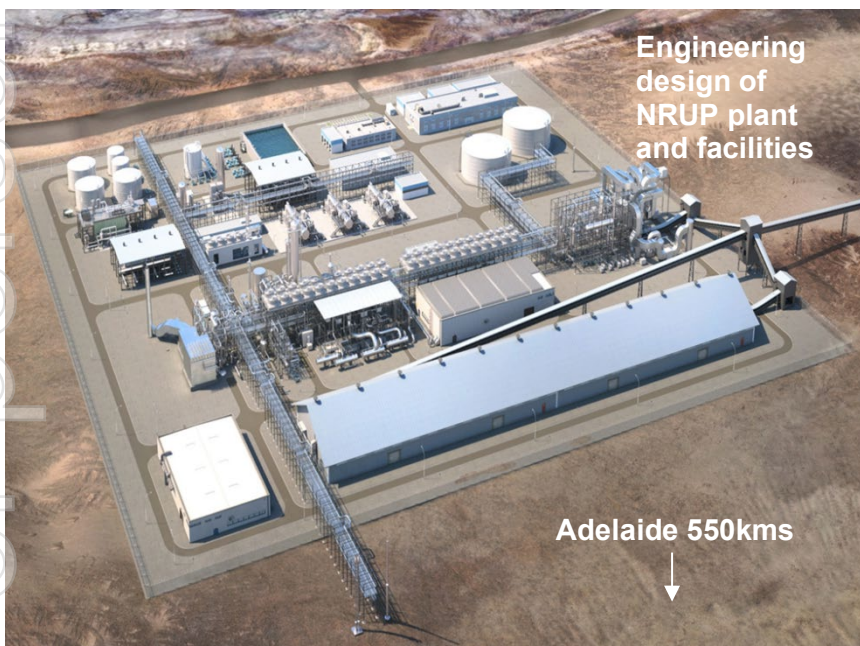
About NeuRizer Ltd

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.

NeuRizer

TOWARDS A CARBON NEUTRAL WORLD

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