



ASX Announcement (ASX: NRZ)

29 July 2024

Quarterly Activities Report – June 2024

NeuRizer Ltd ("NeuRizer" or the "Company") submits the following Activities Report and Quarterly Cash Flow Statement (refer to attached Appendix 5B) for the quarter ending 30 June 2024.

Corporate Update

1. The Company sold and settled the sale of two residential properties that are at this time not required for operations at Leigh Creek. This raised approximately \$242k. The Company will continue to offer for sale its remaining three surplus residential properties in Leigh Creek.
2. The Company released its 31 December 2023 Half Year Accounts on 11 April 2024.
3. On 20 May 2024, the Company announced it had appointed Mr. Manyoo Han as a Non-Executive Director of NeuRizer Ltd, following the resignation of Mr. Sunghun Ryu. Both Mr. Han and Mr. Ryu are appointed by and represent DL E&C Co., Ltd ("DL") (one of NeuRizer's major shareholders).

Coal India Limited (CIL), CIL subsidiary Central Mine Planning and Design Institute (CMPDI) and the Indian Ministry of Coal

Recent media reports have documented the purpose of a recent visit in May 2024 by a number of senior executives of CIL, CMPDI and the Indian Government's Ministry of Coal to the NeuRizer head office in Adelaide and the NeuRizer Urea Project (NRUP) site at Leigh Creek, in northern South Australia.

All parties are exploring the possibility of implementing Underground Coal Gasification (UCG) in Indian geo-mining conditions.

NeuRizer and CMPDI have subsequently signed a Non-Disclosure Agreement. We look forward to updating the market on these developments.

NeuRizer Chairman stated

"It is very positive to see that India has allocated over AUD\$1.5b. for coal gasification and that we are in discussions with CIL, CMPDI and the Ministry of Coal. Recently in the Finance Minister's budget speech in February this year he announced that the Indian Government aimed to gasify 100 million tonnes of coal a year by 2030 and specifically included underground gasification."

The delegation from CIL, CMPDI, and the Ministry of Coal was very much focused on developing UCG in India following government support, with all three groups being either the Indian Government or India Government-owned companies.

Discussions between the parties focused on NeuRizer demonstrating UCG in India (similar to the Pre-Commercial Demonstration at Leigh Creek), as well as NeuRizer entering joint ventures for commercial UCG projects in India, in particular, fertiliser, ammonia and ammonium nitrate.



About Coal India Limited

Coal India Limited (CIL) is an Indian state-owned coal mining corporation. CIL is owned 66% by the government of India, and 34% are owned as publicly traded shares.



India's recently re-elected Prime Minister, the Honorable Shri Narendra Modi, India's Ministry of Coal and the Board of Directors of CIL have a unified vision to establish coal gasification technology in India through an ambitious and achievable goal of gasifying 100 million tonnes of coal in India by 2030. CIL's wholly-owned subsidiary, CMPDI, is responsible for delivering this vision.

The Government of India, through the Ministry of Coal and CMPDI, have committed significant funds to this program through a range of initiatives. CIL is a Maharatna company – one of a few state-owned enterprises in India given 'special' status by the Government of India to empower them to expand their operations and emerge as global giants. CIL is the world's largest coal producer, with operations in coking (steel and metallurgical), thermal (power) and beneficiated (industrial) coal and other products. CIL has approximately 240,000 employees.

About CMPDI



Central Mine Planning & Design Institute Limited

CMPDI (A Mini Ratna Company)

The Central Mine Planning & Design Institute Limited (CMPDI) is a Government of India enterprise with its corporate headquarters in Ranchi, India. It is a wholly-owned subsidiary of Coal India Limited (CIL).

CMPDI is CIL's sole premier consultant in open pit and underground mine planning and design for coal, lignite and other minerals. CMPDI has prepared over 900 mining project reports with individual project capacity up to 25 Mtpa. CMPDI is a leader in mineral exploration, resource evaluation, resource management, mining geology, hydro-geological & geophysical studies, engineering geology investigations, etc. CMPDI holds an eminent position in environmental engineering and has a multi-disciplinary group dedicated to Remote Sensing, GIS, GPS, Digital photogrammetry, LiDAR, UAVs, and Terrestrial and Mine Survey for integrated natural resources survey and management. CMPDI is actively involved in the Indian coal mining sector and attends to the full spectrum of CIL's geo-spatial needs.

About the Ministry of Coal

Representatives of the Ministry of Coal were also part of the delegation encouraging NRZ to bid for coal blocks suitable for UCG in India, and to express the level of support of the government or coal gasification.

The Indian Minister for Coal and Mines stated that "the coal sector is working on the direction of Prime Minister Narendra Modi to gasify 100 million tonnes of coal by 2030. Accordingly, The National Mission for Gasification envisions the adoption of indigenous technologies for the production of chemical products and their derivatives,". (*Business Standard 24 January 2024*).



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Photos of the delegation in Adelaide and Leigh Creek.

NRUP Stage 1 Update

NeuRizer has been recently notified (refer NeuRizer ASX announcement 8 July 2024) of the Commonwealth government's decision to apply the 'water trigger' as an additional controlling provision and assessment approach for Stage 1 of the NeuRizer Urea Project (NRUP).

There will be no new assessment approach, and the project will continue to be assessed using the environmental impact statement. This reconfirms the existing position and assessment approach to be taken and allows all parties to move forward in the assessment process.

NRUP Stage 2 Update

NeuRizer continues to work with DL on the Bankable Feasibility Study. NeuRizer announced on 21 February 2024 that it had agreed with DL to change the manner of contracting for the NRUP, resulting in further work being required for a satisfactory feasibility study to be completed.

The development contract for the NRUP will now be in two parts: an engineering and procurement contract (expected to be awarded to DL once agreement as to cost is reached and a final investment decision is taken) and a construction and commissioning contract likely to be directly between NeuRizer and a construction company of NeuRizer's choosing, following a competitive bidding process.



NeuRizer is continuing to work through the construction requirements and has engaged a quantity surveyor to assess the costs and assist further with optimisation.

The Company continues to work on generating positive cash flows to enable it to meet its obligations with DL. For full details of the amounts owing to DL refer to the Company's Half-Year Accounts.

Finance and Corporate

The accompanying Appendix 5B (Quarterly Cash Flow Report) includes a summary of cash 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.

During the quarter, the Company incurred \$547k on exploration and evaluation activities, with the majority relating to capitalised labour costs, engaging the quantity surveyor, site maintenance, and other minor operating costs.

Tenements

Tenement	Percentage Interest	Grant Date	Location
Petroleum Exploration Licence 650	100%	18 November 2014	Leigh Creek, SA
Petroleum Production Licence 269	100%	24 November 2020	Leigh Creek, SA
Associated Activities Licence 292	100%	24 November 2020	Leigh Creek, SA
Petroleum Retention Licence 247	100%	5 June 2020	Leigh Creek, SA
Gas Storage Exploration Licence 662	100%	5 February 2016	Leigh Creek, SA
Petroleum Exploration Licence Application 647	100%	Application Approved	Leigh Creek, SA

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

Further Information

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Appendix 5B

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

Name of entity

NEURIZER LTD

ABN

31 107 531 822

Quarter ended ("current quarter")

June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	(754)	(2,292)
(e) administration and corporate costs	(582)	(1,527)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	25
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)	50	50
1.9 Net cash from / (used in) operating activities	(1,284)	(3,744)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(547)	(2,297)
(e) investments		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	242	2,259
	(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 – R&D rebate received	-	3,050
2.6	Net cash from / (used in) investing activities	(305)	3,012

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,722
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	(1)
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(248)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	-	(2,100)
3.7	Transaction costs related to loans and borrowings	-	(190)
3.8	Dividends paid		
3.9	Other (provide details if material)	(92)	(92)
3.10	Net cash from / (used in) financing activities	(92)	91

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,250	1,210
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,284)	(3,744)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(305)	3,012
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(92)	91

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	569	569

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	569	2,250
5.2	Call deposits	-	-
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)	569	2,250

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	608
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Explanation:</p> <p>Executive and Non-Executive Directors fees and associated employment termination payments.</p>		

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,284)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(547)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,831)
8.4	Cash and cash equivalents at quarter end (item 4.6)	569
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	569
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) <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>	0.31
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?	
	Yes, but the Company continues to look for opportunities to reduce net operating cash flows.	
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?	
	Yes, the Company continues to expect to conduct further capital raises to fund its operations in the short term and has confidence that they will be successful.	
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?	
	Yes, as per 8.8.2 above.	
	<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: 29 July 2024

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 – e.g., 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.