



ASX Announcement (ASX: NRZ)

31 October 2024

Quarterly Activities Report – September 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 September 2024.

Suspension

The Company notes that it released its Annual Report on 28 October 2024. On 29 October 2024, ASX continued the suspension of the Company's securities under Listing Rule 12.2. The Company is responding to queries from the ASX in relation to the Stage 2 contract with DL E&C. Full details on the amount owing to DL E&C can be found in the Annual Report.

NeuRizer Urea Project (NRUP) Stage 1 Update

Stage 1 of the NRUP comprises:

1. In Situ Gasification (ISG) of deep, stranded coal at the Leigh Creek coalfield, 550 kilometres north of Adelaide in South Australia;
2. The construction and operation of a small 5-megawatt power station; and
3. Supporting infrastructure.

Stage 1 of the NRUP builds on the successful Pre-Commercial Demonstration (PCD) that NeuRizer operated in 2018 and 2019. The overarching purpose of Stage 1 is to further demonstrate the commercial, technical and financial credentials of the NRUP.

NeuRizer has received notification from the Department of Climate Change, Energy, the Environment and Water (the Department) that draft guidelines for the preparation of an Environmental Impact Statement (EIS) for Stage 1 of the NRUP have been prepared and have now been published for public comment. The Department has opened the public consultation, allowing submissions for 30 business days from 27 September 2024 and NRZ welcomes this opportunity for public input.

The publication of the draft guidelines for the EIS marks an important step in NeuRizer's approval journey. Having successfully completed the first stages of the South Australian government's approval process, we are confident that progressing under the Environment Protection and Biodiversity Conservation (EPBC) Act will further showcase our strong technical and environmental credentials, already demonstrated during our pilot project.

Following the consultation period, the Department will review submissions made prior to issuing the final guidelines to the Company. The Company is still assessing the timeframe for submitting the final EIS.

NeuRizer looks forward to completing the EIS and updating the market on approval for Stage 1 of the NRUP.



NRUP Stage 2 Update

Stage 2 of the NRUP comprises:

1. The construction of multiple ISG gasifiers;
2. A gas clean-up plant;
3. Construction of an Ammonia production facility;
4. Construction of a Urea production facility; and
5. Associated logistics to support the operations of the gas clean up, Ammonia and Urea production facilities.

NeuRizer plans to produce an initial 1 million tonnes of urea each year.



Artist's impression of NRUP, Leigh Creek, South Australia

The Company has continued collaborating with DL E&C Co Ltd. NeuRizer and DL E&C agreed to split the NRUP EPC contract into two parts: an engineering and procurement contract and a construction and commissioning contract (to be awarded to a construction company through a competitive bidding process). For further details on the contract and liabilities relating to the contract, refer to the Company's Annual Report released on 28 October 2024.



Meijin

As announced on 15 April 2024, NRZ has been working with Meijin Energy Investments to further define the commercialisation process on sites owned by Meijin and to find a structure that meets both parties' requirements. NRZ is currently working with its lawyers on this transaction prior to submitting it for review.

India

As a consequence of Coal India and the Ministry of Coal's visit to Adelaide (see ASX announcement of 8 July 2024), NRZ has conducted a desktop evaluation of several proposed sites for suitability for ISG and has recently conducted a site visit to inspect a possible site in India. Whilst in India, NRZ also progressed discussions with several other parties with the intention of setting up a process to develop ISG in India on a commercial basis. Those discussions are progressing and are being reviewed by lawyers.

Finance and Corporate

NeuRizer completed a placement of 799,222,115 shares at an issue price of \$0.002/share with a range of sophisticated, professional and institutional investors, which raised approximately \$1.6 million before costs. The Company held a General Meeting of Shareholders on 4 October 2024, which approved the issue of these shares with a very strong supportive vote.

The accompanying Appendix 5B (Quarterly Cashflow 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 \$384k on exploration and evaluation activities, with the majority relating to capitalised labour costs, 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.

NeuRizer



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")

September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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	(286)	(286)
(e) administration and corporate costs	(716)	(716)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	6
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	(996)	(996)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(384)	(384)
(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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	117	117
	(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	-	
2.6	Net cash from / (used in) investing activities	(267)	(267)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,614	1,614
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(23)	(23)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(237)	(237)
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	1,354	1,354
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	569	569
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(996)	(996)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(267)	(267)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,354	1,354

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	660	660

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	660	569
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)	660	569

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	113
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)	(996)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(384)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,380)
8.4 Cash and cash equivalents at quarter end (item 4.6)	660
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	660
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.48
<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?	
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: 31 October 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.