

ASX ANNOUNCEMENT (ASX:LCK)

Thursday, 14 October 2021



Development Consultant Appointed

EMM Consulting Pty Ltd (EMM) has been appointed to assist Leigh Creek Energy Ltd (LCK) with the downstream* development approval process of the Leigh Creek Urea Project (LCUP).

LCK Managing Director Phil Staveley commented:

“Partnering with EMM to assist in the development approval process is a crucial step in ensuring that the Leigh Creek Urea Project is built on time. EMM will ensure the project remains on schedule and manage the necessary documentation that will see LCUP become one of the largest infrastructure projects in South Australia and a low-cost, sovereign and secure urea manufacturer for the domestic and international market.”

“During construction and operation LCUP will create thousands of jobs – most of them in South Australia. EMM is a good example of the expertise we will need locally as we build the only fully integrated urea production facility in the country.”

Contract Scope

- Project management of the development approval process;
- Manage the pre-lodgement processes with the relevant authorities; and
- Lead the Impact Assessment process.

With seven offices across Australia, EMM is a leading Australian planning and environmental consultancy. EMM advises private and government organisations in major projects planning and approvals, environmental assessment and approvals, mining and energy sector environmental management, and social impact assessment.

Recent progress with Leigh Creek Urea Project

This development follows several other recent milestones for the LCUP:

1. Award of the Petroleum Production License (PPL) for upstream[#] operations, (refer ASX announcement 25 November 2020), representing the final and ultimate approval for upstream[#] operations.

2. Project Pre-Feasibility Study (PFS) outcome, showing an IRR of 30% and Net Present Value of A\$3.4B (refer ASX announcement 2 November 2020).
3. Awarding of two Engineering, Procurement, Construction and Management (EPCM) contracts for upstream[#] operations (refer ASX announcement 18 January 2021).
4. Final Investment Decision for Stage 1 (refer ASX announcement 15 March 2021).
5. Acquisition of generators to power upstream[#] operations for Stage 1 (refer ASX announcement 21 July 2021).
6. Carbon Neutrality by 2022 strategy (refer ASX announcements 11 and 19 August 2021).
7. Appointment of BFS Consultant, NexantEXA (refer ASX announcement 30 August 2021) Appointment of South Korean major infrastructure developer, DL E&C Ltd, as Engineering, Procurement, Construction, Commissioning and Finance Contractor (refer ASX announcements 1 July 2021 and 3 August 2021) for development of downstream operations.
8. Independent feasibility study confirms technical (engineering and geological) aspects of the LCUP Carbon Capture and Storage plan (refer ASX announcement 1 July 2021).

** Downstream refers predominantly to above ground operations (manufacture of Ammonia and Urea)*

Upstream refers predominantly to below ground operations

The Board of Leigh Creek Energy Limited authorised this announcement to be given to the ASX.

Further information:

Investors

Tony Lawry

T: +61 412 467 160 | E: tony.lawry@lcke.com.au

Media

Tristan Everett

T: +61 403 789 096 | E: tristan.everett@marketeye.com.au

About the Leigh Creek Urea Project

The Leigh Creek Urea Project (LCUP) is Leigh Creek Energy's (ASX:LCK) flagship project, developing low-cost nitrogen-based fertiliser for local and export agriculture markets. Located in South Australia, 550 kilometres north of Adelaide, the LCUP will initially produce 1Mtpa (with potential to increase to 2Mtpa) of carbon neutral urea.

The A\$2.6 billion LCUP 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.

The LCUP will be the only fully integrated urea production facility in Australia, with all inputs for carbon neutral urea production on-site. Based on prior studies, forecast operating cost is within the lowest cost quartile of the global urea production cost curve.

Pre-tax leveraged Net Present Value (NPV) is A\$3.4 billion, with an Internal Rate of Return (IRR) of 30%. LCK has a comprehensive environment, social and governance strategy. The LCUP produced syngas within all approved environmental parameters set by the regulator and will be **carbon neutral from 2022**.

The commercial development stages of the LCUP are presented below:

Commercial Development Milestones

Stage 1



Stage 2

