

ASX Announcement (ASX: NRZ)

27 July 2023



Significant Progress with Hydrogen Project in China

- Two sites identified for hydrogen production in China
- Commercialisation pathway identified for hydrogen production
- Development of hydrogen projects being fast tracked

NeuRizer Ltd (“NeuRizer”) provides this update on its project to produce hydrogen in China (see ASX announcement 1 June 2023). In this announcement, NeuRizer stated that it had signed an agreement with Meijin Energy Investment (Hainan) Co., Ltd. (‘Meijin’) to produce hydrogen in China, accessing NeuRizer intellectual property and commercialisation expertise. The focus of these projects is to produce cost effective hydrogen for use in Meijin’s extensive commercial operations in China and meets the large and growing demand for hydrogen in China. The Meijin Group, through its subsidiary, is the largest shareholder in NRZ.

ISG in China

NRZ’s Chief Operating Officer (COO) has just achieved a significant milestone by completing an important trip to China where proposed ISG sites were assessed.

The positive results of an initial data review showed that two appropriate sites for ISG have been identified from Meijin’s portfolio of assets in China and Mongolia and that are deemed suitable for hydrogen production using NeuRizer intellectual property and production experience.

Further work needs to be performed to confirm the initial results. As a result, the approvals process has commenced with NeuRizer compiling and providing the required documentation based on our expertise and know-how and once final documentation is completed works on the ground can start with 3D seismic and drilling operations. Should the results of the drilling and seismic be successful the NeuRizer Urea Project Stage 1 design will be duplicated and utilized on the China fields.

The hydrogen projects in China will follow a similar development pathway as the NeuRizer Urea Project. This will enable the project partners to quickly move from initial demonstration production to full commercial production.

Meijin has also identified a suitable site in their portfolio of assets in Mongolia and NeuRizer conducted a brief desktop analysis of this site which appeared suitable. The data from this field is to be provided to NeuRizer for initial assessment.

Commercial Process for Hydrogen Production

While in China, NeuRizer's COO attended workshops with Meijin executive leadership, the focus of which was to investigate the viability of accelerating the commercial development process.

A review of the NeuRizer urea plant design was conducted and assessed for the potential to duplicate these features in China for hydrogen production. As a result, Meijin has quickly progressed to concept selection. Once this is completed, Meijin, NeuRizer and Daelim will jointly identify the necessary adaptations to the NeuRizer urea design for it to be appropriate for hydrogen production.

Commercialisation of Hydrogen in China

NeuRizer COO visited one of Meijin's many hydrogen refueling stations where trucks were being refueled in as little as 5 minutes. There are now in excess of 1,000 hydrogen buses manufactured by Meijin on the road in China which have a range of approximately 400km when fully loaded. All these heavy vehicles have passed stringent performance and safety testing.

The hydrogen uptake requires an exponential increase in hydrogen production in China and this is where the NeuRizer/Meijin Joint Venture is commercially viable and so attractive.

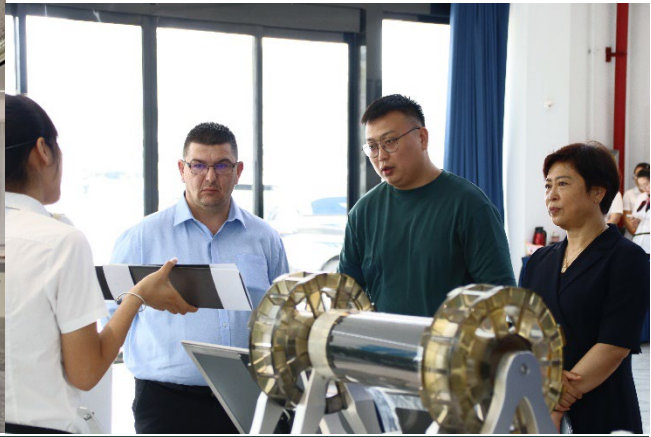


COO Cristian Bolda (centre) and NeuRizer Non Executive Director Zhe Wang with Meijin Chief Financial Officer Jianhua Zhang inspecting Meijin hydrogen trucks and refueling station

Meijin was able to demonstrate how advanced their hydrogen programme is in China with the manufacturing of hydrogen buses and trucks, an advanced vehicle monitoring facility, and development of an internationally recognized hydrogen engine and fuel cell technology.



(Hydrogen vehicle monitoring centre)



(Membrane electrode- core accessories of hydrogen vehicle engine)



(Hydrogen Engine)



(Hydrogen Fuel Cell)

Also whilst in China, NeuRizer's COO visited Meijin's impressive Syngas treatment unit, gas separation and hydrogen production facility



Syngas treatment unit



Ammonium sulfate facility from syngas (left) gas separation facility

Managing Director, Philip Staveley said

“The work done in China is an important milestone for NeuRizer. We were not aware of how advanced the Meijin hydrogen programme is. They are manufacturing hydrogen buses and trucks using their own advanced hydrogen fuel cell and engine technology. They are also an urea manufacturer, and we were able to see firsthand their existing knowledge of Syngas and its uses. Their expertise in commercial hydrogen and our ability to manufacture large volumes of cheap hydrogen complement each other. This presents great opportunities in both hydrogen and urea production in China.”

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

Further Information

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About NeuRizer Ltd

NeuRizer 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.

NeuRizer 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.

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 (2,000+ construction jobs plus 2,450 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 is contemporaneously developing a limited number of international opportunities aimed at commercialising its ISG expertise.

A message for NeuRizer Shareholders regarding electronic communication preference

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