



**ASX Announcement (ASX: NRZ)**

**28 November 2024**

## **Chairman's Address – NeuRizer 2024 Annual General Meeting**

The past year has presented NeuRizer Ltd (NeuRizer or the Company) with numerous challenges and hurdles, each requiring focused attention and determined action. These challenges have tested us, but we have successfully navigated through them and, as a result, are now well positioned for renewed progress.

The delay in receiving the draft terms of reference for our Environmental Impact Statement (EIS) for Stage 1 of the NeuRizer Urea Project under the Environment Protection and Biodiversity Conservation (EPBC) Act was a key challenge. We have waited almost 12 months to reach this step. However, the delay gave us the opportunity to review our operations and consider pathways for the Company's development in other jurisdictions. This process has allowed us to realign our focus, and today, we are in a much stronger position than we were 12 months ago.

From a cost perspective, we have significantly reduced our outgoings to approximately one-third of what they were a year ago. Fixed costs, such as audit, legal, registry, ASX, and ASIC compliance, as well as insurance, remain unavoidable for listed companies. Nonetheless, the efforts to streamline our expenditure have placed NeuRizer on a more sustainable trajectory.

Looking forward, the groundwork laid over the past year has opened many new opportunities. We have engaged with stakeholders in Mongolia, Chile, India, and China. Highlights of the year include hosting a delegation from Coal India and the Ministry of Coal at our Leigh Creek site, followed by our visit to India, where we held productive discussions with government representatives, private companies, Coal India, and its subsidiaries. The highlight of discussions in India was the visit to a site identified by NRZ and Coal India as being suitable for gasification. These interactions have been both positive and promising, and we anticipate that 2025 will see major progress and commercial projects in India.

Shareholders have raised several important concerns, including the recent ASX trading suspension and the Company's disclosure practices. I want to reaffirm that NeuRizer remains in compliance with its legal obligations and has been transparent in its disclosures. Our response to the recent ASX query was consistent with our Annual Report disclosures.

Our relationship with DL E&C Ltd (Daelim) has also been a focal point. The current status of this relationship has been disclosed comprehensively in our announcements such as the recent cleansing prospectus, half-yearly reports, and annual accounts. We worked closely with our auditors to resolve any issues and concerns they had. The focus of much of this work was our agreement with Daelim. Proper disclosure was front and center in all discussions with our auditors and particular care was taken to ensure proper disclosure was maintained. Both Daelim and NRZ are committed to resolving outstanding issues, and we are optimistic about resolving them soon.

In the past year, we have also engaged extensively with government stakeholders. At the State level, we have met with relevant departments and ministers, while at the Federal level, we have held discussions with cabinet



ministers, AUSTRADE, and other agencies. These engagements have been constructive, though the federal approval processes remain a critical factor influencing project timelines.

The draft terms of reference for our EIS align closely with work we had already undertaken with the State Government prior to amendments to the EPBC Act. We are confident in our ability to address the issues raised and are prepared to respond effectively.

Some shareholders have questioned why another Australian project seems to have progressed faster. A Western Australian project often cited as a “success” started their urea project in 2009, with their first offtake agreement signed 10 years ago. NeuRizer’s offtake agreements with Daelim and Samsung, by comparison, were finalised in the past 2 years. It is important to recognise the timeframes required for major projects to reach critical milestones with a lot of the timelines out of our control.

Our ability to produce cheap hydrogen always remains a topic of interest, and we maintain that NeuRizer’s production cost advantages position us favourably. However, the viability of a hydrogen industry in Australia remains constrained by commercial realities. The cancellation of hydrogen projects globally, even those benefiting from government grants, underscores the challenges faced by this sector. However, the production of hydrogen from UCG is of great interest to several overseas parties where a hydrogen economy might be more viable.

Finally, I want to address the broader economic and regulatory environment in Australia. Like many other companies, NeuRizer has been affected by delays caused by regulatory processes. The unnecessary requirement for the Company to refer the project to the federal government, legislative changes, and then the time taken to secure the draft terms of reference for Stage 1 has delayed our ability to proceed on-site. Additionally, the lack of consultation with industry on amendments to the EPBC Act highlights the challenges posed by increasing regulatory complexity.

Despite these hurdles, NeuRizer remains committed to contributing to Australia's energy, ammonia, and fertiliser needs. Our interactions with foreign governments reflect the recognition of the critical role we can play in addressing these issues.

As we look ahead to 2025, I want to thank you, our shareholders, for your continued patience and support. It is fair to say that we would not have been able to resolve these challenges without the support of our shareholders. Together, we are navigating a challenging but ultimately rewarding path.

Thank you,

Justyn Peters

Executive Chairman



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

## Further Information

### **Investor Relations**

**Tony Lawry**

T +61 412 467 160

E [tony.lawry@neurizer.com.au](mailto:tony.lawry@neurizer.com.au)

Level 5, 19 Grenfell Street

Adelaide SA 5000

[www.neurizer.com.au](http://www.neurizer.com.au)