

ASX Announcement (ASX: NRZ)

5 February 2024



Update on Financial Position

NeuRizer Ltd (the Company) provides the following information in relation to the amounts owing to DL E&C Co, Ltd. (DL).

On 1 February 2024, the Company noted that “the short term deferral of amounts owing to DL in relation to the NRUP referred to in the Company’s ASX Announcement of 23 January 2024 entitled “Amended 5B” has not yet eventuated and the date for payment (31 January 2024) has expired.”

The Company has been in continued discussion with DL regarding the status of these amounts owed in relation to the due date of 31 January 2024. The total amounts owed now are approximately US\$20.4m. This amount is the sum of the previously stated US\$16m, plus the US \$4.4m which the invoice was in discussion with DL but has now been resolved.

DL have now confirmed to NRZ that the Company is not deemed to be in default, as the original due date of the 31st of January 2024 can and has been extended by accruing interest at the rate below until NRZ makes a payment.

- Secured Overnight Financing Rate +3% annual rates.
- The Secured Overnight Financing Rate on the 2nd of February 2024 was 5.32%

Interest will accrue at the above rate whilst NRZ continues discussions on two transactions that are expected to be revenue positive, however DL maintains the ability to call in the debt at any point. There is no certainty of the outcome of these discussions but if successful it is expected to be completed by July/August 2024. NRZ will update the market when and if those discussions progress, or if DL call in the debt.

The Board confirms that the Company is solvent, and considers the following factors as necessary for the Company to continue as a going concern:

- That interest on the “DL Debt “is accruing and whilst interest is accruing the debt is not due;
- With regards to the operating capital and all other outgoings, the ability and expectation that the Company can raise additional debt or equity of the quantum required to settle all

amounts payable when due, and to fund continued progression of the NRUP and other project developments.

The Directors consider there are reasonable grounds to believe that the Company will be able to achieve the matters set out above and that it is appropriate to continue on a going concern basis.

With regards to the funding of operating capital and outgoings the Company has received written offers and is working on finalising both the sale or sale and leaseback of particular assets, and a new debt facility in order to provide further funding. The Company is also continuing to reduce overheads where possible.

Whilst the Company is reviewing the timelines and approvals process for the NRUP it is continuing the evaluation of its projects in China with Meijin Energy Investments.

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

Further Information

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