NeuRizer Ltd

ANNUAL REPORT

30 June 2024

CONTENTS

PETROLEUM TENEMENT SCHEDULE

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

In mid-2023, NeuRizer completed an EIR (Environmental Impact Report) for commencing Stage 1 of the NeuRizer Leigh Creek Urea Project and submitted a referral under the EPBC (Environment Protection and Biodiversity Conservation) Act to the Federal government. In November 2023, NeuRizer was advised that the outcome of the referral was that Stage 1 would be a controlled action and would be assessed via an EIS (Environmental Impact Statement). The federal government is currently in the process of creating a set of tailored guidelines for the preparation of the EIS.

PEL 650 AND PPL 269 ISG SUITABLE COAL RESOURCE ANALYSIS

Seam	Working section	Resource category	Tonnage (mt)	Thickness (m)	Relative density (g/cc ad)	Raw ash (%ad)	Total moisture (%ad)
FGH	FG	Indicated	9.1	10.74	1.62	37.68	22.99
	FH	Indicated	28.9	20.86	1.69	43.00	22.53
	G	Indicated	7.7	5.29	1.65	40.74	23.37
I	I	Indicated	22.7	5.78	1.67	40.94	23.37
	I1	Indicated	1.0	2.36	1.43	17.66	29.05
K	K	Indicated	14.8	7.01	1.69	42.50	22.56
	K12	Indicated	4.6	5.78	1.66	40.00	22.22
	K2	Indicated	4.8	3.15	1.60	36.36	24.29
Q	Q	Indicated	93.0	12.08	1.45	18.11	26.88
	Q	Inferred	73.4	9.24	1.44	17.88	26.82
V	V	Inferred	34.0	5.29	1.67	40.75	22.67
	V1	Inferred	1.0	2.41	1.48	22.23	23.55
W	W	Inferred	6.2	7.37	1.76	49.80	21.06
ISG Project Total			**301.2**	**8.41**	**1.54**	**28.73**	**24.94**

COAL AND GAS RESOURCES

The Company's total Coal Resource and equivalent Syngas Reserves/Resources as at 30 June 2024, reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) guidelines and the 2018 Society of Petroleum Engineers (SPE) Petroleum Resources Management System (PRMS) guidelines (respectively), remain unchanged since 2019.

The total Coal Resources and total Syngas Reserves/Resources are divided between PEL 650 and PPL 269. This has not changed from last year, and the total Coal and Syngas Resources/Reserves are outlined below:

Tenement	Location	Coal Resource Category	Coal Resources (Mt) 2023	Coal Resources (Mt) 2024	Syngas Resource Classification	Syngas Energy (PJ) 2023	Syngas Energy (PJ) 2024
Petroleum Exploration Licence 650	**Leigh Creek**	Indicated	81.2	81.2	1P Reserves	–	–
		Inferred	45.6	45.6	2P Reserves	499.4	499.4
					3P Reserves	890.7	890.7
					1C Resources	-	-
					2C Resources	1,187.9	1,187.9
					3C Resources	1,615.7	1,615.7
Petroleum Production Licence 269	**Leigh Creek**	Indicated	105.4	105.4	1P Reserves	-	-
		Inferred	69	69	2P Reserves	653.8	653.8
					3P Reserves	717.6	717.6
					1C Resources	-	-
					2C Resources	281.1	281.1
					3C Resources	510.9	510.9

GOVERNANCE AND DISCLOSURES

Mineral Resources are estimated in accordance with the requirements of the JORC Code by qualified, competent persons who are consultants to NeuRizer. Syngas Resources are estimated in accordance with the requirements of the Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers by a qualified petroleum reserves and resources evaluator who is a consultant to NeuRizer.

The Minerals Resources in the 2024 Annual Report is compiled and reviewed by a qualified, competent person, as detailed below. The Syngas Resource Statement in the 2024 Annual Report is reviewed by a qualified consultant, who is a qualified petroleum reserves and resource evaluator.

NOTES ON COAL RESOURCES

For the purposes of ASX Listing Rule 5.23, NeuRizer confirms that it is not aware of any new information or data that materially affects the information included in the 18 March 2019 Resources Statement and that all material assumptions and technical parameters underpinning the estimates in the Resources Statement continue to apply and have not materially changed.

The coal resources reported herein, insofar as they relate to mineralisation, are based on information compiled from the 18 March 2019 Resource Statement by Mr John Centofanti. Mr. Centofanti is a competent person and a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Centofanti is a full-time employee of NeuRizer and has 20 years relevant experience in coal, which includes 10 years experience as a competent person for estimating and reporting coal resources. Mr. Centofanti consents to the inclusion in the report of coal resource estimates based on his compiled information in the form and context in which it appears.

The coal resource is based on and fairly represents information and supporting documentation prepared for the 18 March 2019 Resources Statement, which was estimated by Warwick Smyth & Lynne Banwell of GeoConsult Pty Ltd.

Mr Smyth is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists, who has more than 25 years experience in the field of activity being reported.

Lynne Banwell is a member of the Australasian Institute of Mining and Metallurgy and the Geological Society of Australia and has over 30 years experience in this style of mineralisation.

Both Mr Smyth and Mrs Banwell have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a competent person as defined in the 2012 Edition of the “Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves”.

NOTES ON GAS RESOURCES

For the purposes of ASX Listing Rule 5.43, NeuRizer confirms that it is not aware of any new information or data that materially affects the information included in the 29 March 2019 PRMS ISG Gas Reserve and Resources Certification and that all material assumptions and technical parameters underpinning the estimates in the PRMS certification continue to apply and have not materially changed.

The Gas Resource estimates stated herein are based on and fairly represent information and supporting documentation prepared by Timothy Hower of Sproule International, Denver, USA. Mr. Hower is a member of the Society of Petroleum Engineers and has consented to the use of the Resource estimates and supporting information contained herein in the form and context in which it appears. All estimates are based on the deterministic method for the estimation of petroleum resources.

DIRECTORS' REPORT

NeuRizer Ltd is a public company incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX). The directors present their report together with the financial statements of the consolidated entity, NeuRizer Ltd ("the Company" or "NeuRizer" or "NRZ") and its controlled entities ("the Group") for the year ended 30 June 2024.

DIRECTORS

The names and details of the qualifications and experience of directors of the company during the year ended 30 June 2024 and up to the date of this report are set out on the following pages.

Daniel Justyn Peters **BA (Hons) LLB, GDLP, GDPSM**
Executive Chairman
Audit Committee & Risk Committee Member
Director from 28 November 2014 to present

Experience & expertise

Mr Peters began his career as a Police Prosecutor in the South Australian Police Force and then in the Australian Federal Police before moving to environmental management at both the state and federal levels. Mr Peter's extensive ecological management experience in the government and private sectors has proven invaluable in developing NeuRizer.

Mr Peters was a legal and training officer with the National Parks and Wildlife and a lecturer in environmental law at both TAFE and University levels. He was then Head of Investigation and Compliance and acting Director of Central and Northern Regions with the Queensland Environmental Protection Agency (EPA). He managed the integration of environmental regulation at the Queensland EPA and the Queensland Mining Industry into the EPA. He was the Environment Advisor for the Queensland Mining Council and then the National Property and Environment Manager for the federal government at Airservices Australia.

Mr Peters' commercial experience is also extensive. After being the Head of Business Nth Asia (Japan, Korea, and China) for Airservices Australia, he joined Linc Energy. In his six years at Linc Energy, he held the positions of General Manager Environment and Government Relations, General Manager Business Development, Executive General Manager North Asia, Executive General Manager of Investor Relations and CEO of Linc Global. Mr Peters has been CEO and a Director of several other ASX and private companies.

During the past three years, Mr Peters has not been a Director of any other listed companies.

Zhe Wang **BSc (Thermal Dynamics), MEng (Energy Engineering and Thermal Physics)**
Non-Executive Director from 1 July 2017 to present

Experience & expertise

Zhe is a Chinese-based Energy and Thermal Physics Engineer and nominee of China New Energy Group Limited. He has over twelve years of executive management experience. Zhe also sits on the Board of Beijing Raise Mind Technology Ltd. Zhe's key areas of expertise include Coal Combustion, Renewable Energy Applications, and Steel Sinter. Zhe has a Bachelor of Thermo Dynamics, Renewable Energy Applications, and a Master's in Energy Engineering and Thermal Physics, Coal Combustion. During the past three years, Mr Wang has not been a Director of any other listed companies.

Zheng Xiaojiang **BCom**
Non-Executive Director from 5 December 2017 to present

Experience & expertise

Zheng is a senior finance executive with vast experience in the finance sector in Australia and China. His experience includes being a senior official for The People's Bank of China in Australia and New Zealand. Zheng was responsible for facilitating the investment in NeuRizer by China New Energy Group Limited. During the past three years, Mr Xiaojiang has not been a Director of any other listed companies.

Manyoo Han **BEng**
Non-Executive Director from 17 May 2024 to present

Experience & expertise

Mr Han currently serves as the Acting Vice President of DL E&C. He holds a Bachelor's degree in engineering from University College London in the UK. Following his military service as an army officer, Mr. Han joined DL E&C in 2007, where he spearheaded global business development in the hydrocarbon sector. He brings extensive expertise in oil and petrochemical business development, with a key focus on the Middle East, Southeast Asia, and North America region. Mr. Han previously served as the General Manager of DL E&C's Abu Dhabi and Muscat branch offices before transitioning into the corporate management group. Currently, he is responsible for overseeing corporate planning and new business development at DL E&C. During the past three years, Mr Han has not been a Director of any other listed companies.

Jordan Mehrtens **LLB/LP, BCom (Fin), GDip (Planning)**
Company Secretary since 2015
Non-Executive Director from 11 February 2024 to present

Experience & expertise

Jordan Mehrtens is a lawyer with qualifications in finance and urban and regional planning. Jordan is a member of the Governance Institute of Australia and performs the secretarial role in the Company. Since its commencement in 2015, she has worked with NeuRizer, providing regulatory, compliance, and other analytical advice. During the past three years, Ms Mehrtens has not been a Director of any other listed companies.

Phillip Staveley **CPA, BA (Acc)(Hons), Dipl Btr, MAICD**
Former Managing Director
Director from 5 December 2017 to 15 January 2024

Experience & expertise

Mr Staveley is a qualified accountant with 30 years of experience in the resources sector. He started his career in the oil and gas sector, working for Schlumberger in London and for several years with SAGASCO and SAOG (South Australian Oil and Gas Company). He spent almost ten years with Normandy Mining Ltd, fulfilling many planning, finance, M&A and commercial roles, including establishing a Group Supply Function and three years based in Rio de Janeiro as the CFO of TVX Normandy Americas.

Since 1998, he has been involved in mining and contracting companies in the position of CFO and, more latterly, CEO roles with an emphasis on strategy and corporate finance. During the past three years, Mr Staveley has not been a Director of any other listed companies.

Murray K Chatfield **BCom (Ag/Economics and Marketing), MBA, ACT, MAICD**
Former Audit Committee and Risk Committee Chair
Non-Executive Director from 30 June 2016 to 20 December 2023

Experience & expertise

Mr Chatfield's career covers finance, treasury, accounting, operational efficiency, risk management, legal and regulatory compliance and direct financial market interaction. During the past three years, Mr Chatfield has not been a Director of any other listed companies.

Jaehyung Yoo **BSc, MBA**
Non-Executive Director from 6 August 2022 to 31 July 2023

Experience & expertise

Mr Yoo has over 20 years of experience in senior leadership roles within DL E&C Co., Ltd, bringing extensive knowledge of EPC business. During the past three years, Mr Yoo has not been a Director of any other listed companies.

Sunghun Ryu
Non-Executive Director from 31 July 2023 to 17 May 2024

Experience & expertise

Mr Ryu has extensive experience at DL E&C, McKinsey & Company and Daewoo Engineering. During the past three years, Mr Yoo has not been a Director of any other listed companies.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was advancing the development of its NeuRizer Urea Project (NRUP). There have been no significant changes in the nature of these activities during the year. The Company continues to progress with its commercialisation plans.

OPERATING ACTIVITIES

Stage 1

Stage 1 of the NeuRizer Urea Project includes the construction of a syngas production facility and a small-scale power generation unit at Leigh Creek, which will use the produced syngas to generate electricity.

The South Australian Government did not provide environmental approval for Stage 1 of the NRUP without a determination under the Environment Protection and Biodiversity Act 1999 (EPBC Act). Although there was no legislative requirement, the Company referred Stage 1 under the EPBC Act due to the government's stance. The Company conducted a self-assessment and determined that there were no significant impacts on matters of national environmental significance. Despite the Company’s position, the Company received a controlled action decision from the Commonwealth Government. Whilst the Company was reviewing its legal options, new legislation (Nature Repair Bill 2023) extended the 'water trigger' provisions of the EPBC Act to 'unconventional gas development,' potentially affecting Stage 1.

NeuRizer decided to have Stage 1 assessed under the EPBC Act rather than contest the original decision. Following this, the Commonwealth Government applied the ‘water trigger’ as an additional controlling provision for Stage 1. The Company has received draft guidelines for an Environmental Impact Statement (EIS) for Stage 1 from the Department of Climate Change, Energy, the Environment and Water. The Company has until 8 November 2024 to provide comments on this draft. 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.

The Company has paused its Climate Active carbon-neutral certification due to uncertainty around the timeline for Stage 1 and is optimizing costs accordingly.

Stage 2

During this period, the Company continued collaborating with its Engineering, Procurement, and Construction (EPC) partner, DL E&C Co Ltd (Daelim), on optimizing project costs.

NeuRizer and DL E&C agreed to split the NRUP contract into two parts: an engineering and procurement contract (likely to be awarded to DL E&C) and a construction and commissioning contract (to be awarded to a construction company through a competitive bidding process).

This revised approach aims to significantly reduce overall project costs, enhancing the project’s viability. A quantity surveyor has been engaged to assist in cost assessment and optimization.

Power for the project will now be sourced from the South Australian electricity grid rather than a syngas-fired power station, and the associated costs and funding are being finalized.

FINANCE AND CORPORATE

The consolidated operating loss of the financial year to 30 June 2024 was $5,603,806 (2023: $16,262,136). Expenditure capitalised as Exploration expenditure was $1,777,171 (2023: $72,318,254), comprised of a spend of $4,826,771 on progressing the NRUP, offset by research and development tax concession amounts received of $3,049,600.

In September 2023, the Company completed a private share placement, raising $1,000,000. In November 2023, the Company completed a renounceable rights issue to shareholders, raising $1,716,333 (before costs). In December 2023, the Company received $3,049,600 for eligible Research and Development expenditure of FY23. Approximately $2,300,000 was immediately used to settle existing debt against this plus interest. In April 2024, the Company received $2,000,000 on entering into a sale and leaseback agreement for its four Siemens power generators (see Note 16). In August 2024, the Company completed a private placement of shares, raising approximately $1,600,000 before costs.

The following changes in Board Composition occurred during the year:

- On 31 July 2023, Mr Jaehyung Yoo resigned as Non-Executive Director of the Company, and Mr Sunghun Ryu was appointed Non-Executive Director.
- On 20 December 2023, Murray Chatfield resigned as Non-Executive Director.
- On 15 January 2023, the Managing Director position of Phil Staveley was made redundant.
- On 11 February 2024, Jordan Mehrtens was appointed as Non-Executive Director.
- On 17 May 2024, Mr Sunghun Ryu resigned as Non-Executive Director of the Company, and Mr Manyoo Han was appointed Non-Executive Director.

RISK MANAGEMENT

NRZ engages in strong risk management practices, which enables the board and management to make strategic choices on risk while enhancing and preserving the opportunity for enterprise value.

The NRZ risk management policy operates through its risk management framework (aligned to the international standard for risk management, iso 31000). The framework provides a whole business approach to the management of risks. It sets out the process for identifying, evaluating, monitoring, reviewing, and reporting risk to facilitate achieving the company’s plans and objectives.

Risks are managed in the context of the Board-approved Risk Policy, which provides high-level risk tolerance guidance across a range of core business and strategic priority areas. Management reports to the Board on risks that could have a material impact on the business or result in a breach of approved risk tolerance thresholds. The Risk Committee assists the Board with oversight of the Company’s risk management practices and undertakes an annual review of its Risk Management Framework, considering business priorities and industry practices.

Risk Category	Details	Mitigation Strategies
Financial Risks	**Going Concern:** The Company is reliant on timely funding to maintain operations, meet financial obligations, and continue the development of the NRUP. At 30 June 2024, current liabilities exceed current assets by $53,959,208 (2023: 53,640,213), and the sufficiency of cash flows to settle debts requires further funding. Further details on the status of specific amounts outstanding relating to the funding for the EPCC and the impact on going concern are included below.	Securing additional funds through debt or equity raises to ensure liquidity of operations and project development. Actively negotiating with Daelim and other creditors to reduce or defer liabilities.

		Minimising non-essential expenditure and focusing on strict cash flow forecasting to preserve working capital. Exploring JV agreements, off-take agreements, and project-specific financing to secure long-term funding.
	Funding of the EPCC and amounts owing to DL E&C: Substantial funding is required to fulfil obligations under the Engineering, Procurement, Construction, and Commissioning (EPCC) contract with DL E&C Co Ltd (DL), with amounts outstanding on both the Services Fee payable to DL and on the Licensor Fees payable to DL in relation to the ammonia and urea licensors being appointed to deliver the Basic Engineering Design Package (BEDP) and Final Piping and Instrumentation Design for the NRUP. At 30 June 2024, USD 19,334,130/AUD 29,187,999 was recognised in Trade Creditors, and USD 14,960,634/AUD 22,585,499 was recognised in Accrued Liabilities in respect of amounts owing to DL. In accordance with Group's announcement on 5 February 2024, DL E&C Co Ltd confirmed via written correspondence to NRZ that the Group is not deemed to be in default in respect of the trade creditors balances outstanding (see Note 21), and NRZ will accrue interest on the amounts due after 31 January 2024 at the Secured Overnight Financing Rate + 3% Annual Rates. Interest will accrue at this rate whilst NRZ continues discussions on several strategic transactions that are expected to enable the Group to generate revenue and positive cash flows. In September 2024, the Company received a request for a further deferred payment agreement with the same interest terms as above, however, with a specific payment schedule and terms required to resolve repayment of the outstanding amounts. It was requested that this agreement be finalised by the end of October 2024. At the date of this report, no payment arrangement has been reached and the	Active pursuit of strategic transactions to generate cash flow and meet obligations. Ongoing negotiations regarding amounts owed, including reviewing the findings from the independent Quantity Surveyor report. This report has provided insights into potential cost discrepancies, which the Group is sing to engage in constructive dialogue aimed at potentially revisiting or renegotiating the amounts payable. While the Group remains focused on negotiations, it is reviewing its dispute resolution options. The process is viewed as a step towards reaching a mutual resolution, should it not be resolved through dialogue.

	deferred payment agreement remains unsigned, and this has been acknowledged by DL. Notwithstanding verbal communications have indicated that DL E&C wish to continue discussions with NeuRizer to resolve outstanding matters (and they acknowledge the third deferred payment agreement remains unsigned and outstanding), DL E&C retain the right to call the debt at any time. NeuRizer believe ongoing negotiations under the contract will continue, and, in the event that DL E&C choose to immediately call the amounts owing, NeuRizer consider there are mechanisms available to it under the contract to challenge and propose alternate courses of action. Uncertainty in resolution of matters outstanding with DL E&C and consequential potential litigation could adversely affect progress on the NRUP and could lead to circumstances where the Group is no longer a going concern.	
	Exchange Rate Risk: Adverse fluctuations in exchange rates could require the Company to raise additional funds in Australian dollars. Exposure sits in particular with the above trade creditors as specified above under the contract with DL E&C Co Ltd.	Monitoring exchange rates and inflation trends to optimise the timing of payments in foreign currencies.
	Impacts of Inflation & Supply Chain Disruptions: Potential impacts on the cost and timing of NRUP construction and production, including the price of urea fertilizer in domestic and overseas markets. Additionally, see Note 8 for details on the construction cost estimate received under the latest version of the project feasibility study in December 2023, which had significantly higher estimates than previously forecasted.	Cost optimization strategies and contingency planning for supply chain disruptions. Following a review of the construction cost estimate, NRZ intends to go to tender to identify suitable construction companies and reduce this cost.

Project Development Risks	**Contractual Risks:** NRZ is a party to critical contracts, including the EPCC with DL E&C, and a Heads of Agreement for a joint venture with China New Energy Group Limited for ISG project management. Risks include potential financial failures, defaults, or disputes with counterparties. As set out under the risk above related to 'Funding of the EPCC and amounts owing to DL E&C', there is a risk that ongoing discussions with DL E&C regarding payment of outstanding amounts will result in DL E&C calling the amounts due. Notwithstanding verbal communications have indicated that DL E&C wish to continue discussions with NeuRizer to resolve outstanding matters, DL E&C retain the right to call the debt at any time. In the event that DL E&C choose to immediately call the amounts owing, NeuRizer consider there are mechanisms available under the contract to challenge and propose alternate courses of action. Uncertainty in resolution of matters outstanding with DL E&C and consequential potential litigation could adversely affect progress on the NRUP and could lead to circumstances where the Group is no longer a going concern.	Strong contractual agreements, legal reviews, and dispute resolution strategies.
	Growth & Acquisition Risks: Potential acquisitions as part of growth strategies or strategic transactions may not generate expected returns, could involve significant cash resources, or result in shareholder dilution. The current strategic transactions being pursued involve significant partnerships and involvement in international projects related to energy and production. These projects are designed to expand the Group's global presence and provide access to key resources and markets. Risks associated with these initiatives include potential delays in project execution, securing funding, and finalising agreements with partners, all of which could have a material impact on the Group's financial position. If these transactions do not proceed as planned, the Group may face financial repercussions, including continued cash flow constraints and an inability to meet existing obligations. This could hinder the	Thorough due diligence and evaluation of new projects and acquisitions, focusing on sectors with the potential for shareholder returns.

	Group's ability to progress its key projects and affect overall business strategy.	
	Gas Reserve & Resource Estimates: Gas reserve and resource estimates are based on judgment and modelling. Geological formations different from predicted could require adjustments, impacting NRUP's viability and shortening its expected life.	Regular updates and reassessments of reserve and resource estimates.
Operational Risks	**Health and Safety:** Focus on creating a physically and psychologically safe working environment, supported by the Health, Safety, Environment, and Community Management System, which includes risk and hazard management, contractor management, and emergency preparedness.	Regular risk and hazard assessments, task risk evaluations, and safety visits.
	Business Interruption: Risks from natural disasters, material disruptions to the logistics chain, critical plant failures, or industrial actions that could preclude site operations.	Crisis and Emergency Management Processes, including those used during COVID-19 to minimize impacts.
	Key Management & Personnel: The departure of key personnel or difficulties recruiting the necessary workforce for the NRUP could negatively impact operations. Recruitment is particularly challenging due to potential skills shortages and border lockdowns.	Recruitment programs and retention strategies for key personnel.
Environmental Risks	**Regulatory Compliance:** Compliance with environmental laws and regulations, including the Environment Protection and Biodiversity Act 1999 (Cth) (EPBC Act) and State regulations, is critical. Delays in obtaining approvals can impact project timelines, especially given recent legislative changes like the Nature Repair Bill 2023. The Company has received draft guidelines for an Environmental Impact Statement (EIS) for Stage 1 from the Department of Climate Change, Energy, the Environment and Water. The Company has until 8 November 2024 to provide comments on this draft. 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 and its subsequent assessment, which will impact the project timeline.	Ongoing environmental impact assessments, including compliance with new regulations under the Nature Repair Bill 2023.
	Climate Change Risk: Market sentiment towards fossil fuels, changes in environmental legislation, and the need to maintain carbon-neutral operations (e.g., NRUP's design) pose risks. The decision not to	Alignment with Paris Agreement objectives and TCFD recommendations.

	maintain Climate Active certification due to project delays and cash flow issues may affect funding and market sentiment.	
	Aboriginal Heritage: Compliance with Aboriginal heritage legislation requires heritage surveys, which could delay projects.	Proactive engagement with Aboriginal communities and completion of heritage surveys.
Regulatory & Compliance Risks	**Litigation Risks:** Potential disputes or regulatory investigations could result in substantial financial penalties or operational delays, noting that the Company was previously the subject of an ASIC investigation, which resulted in the Company replacing its use of the term 'zero carbon' with 'net zero carbon', and other minor corrective disclosures.	Preparedness for potential regulatory changes and compliance reviews.
	New Legislation & Compliance: The Company's activities are subject to extensive laws and regulations, including obtaining licences, environmental protection, native title, taxation, health, and safety. Evolving regulations could impact operations, with potential delays or additional costs associated with compliance.	Regularly monitor regulatory changes and proactive compliance strategies, including efforts to obtain all necessary approvals for NRUP under evolving regulations.
	Licence Renewal: The Company holds licences under the Petroleum and Geothermal Energy Act 2000 (SA), subject to periodic renewal. Non-renewal or new conditions could significantly impact NRUP.	Legal counsel engagement to manage potential litigation and ensure timely licence renewals.
Community/Social Risks	**Community Sentiment:** Negative perceptions or loss of confidence by local communities could delay projects and increase costs. The Company operates in regions with cultural and social significance where community expectations are continually evolving.	Community engagement programs to build and maintain strong relationships and support.
	Environmental Impact: Unpredictable weather events or natural disasters, such as rainfall or bushfires, may impact compliance with environmental regulations, potentially delaying NRUP construction or increasing costs.	Emergency preparedness and environmental management plans to mitigate risks from natural disasters and ensure compliance with environmental regulations.
Cybersecurity Risks	**Cybersecurity Threats:** Increasing external threats necessitate robust cybersecurity measures to protect operations, sensitive data, and intellectual property. Cyber-attack risk has grown, particularly in light of global political tensions and evolving threats.	Implement best practices in cybersecurity, guided by frameworks like NIST and the Australian Government's Cyber Security Centre. Regular audits, updates to cybersecurity protocols, and staff training to address evolving threats.

Market & Economic Risks	**Market Sentiment & Economic Conditions:** Adverse market conditions, including fluctuating share prices, interest and inflation rates, and economic instability, could impact the Company's ability to raise capital, fund projects, and operate the NRUP.	Diversification of funding sources, close monitoring of market trends, and scenario planning for potential impacts of global issues.
	Global Issues: Factors like geopolitical conflicts (e.g., Ukraine-Russia conflict), trade barriers, pandemics, and natural disasters could negatively affect NRZ's operations and financial performance. These issues could also disrupt supply chains and project timelines.	Crisis management strategies to mitigate impacts from global or national disruptions.
Insurance Risks	**Coverage Gaps:** Certain risks may not be fully covered by the Company's insurance policies, leading to potential financial losses in the event of an incident. Insurance might not cover all scenarios or provide adequate compensation, and there is a risk of insurer default.	Regularly review and adjust insurance coverage to ensure adequate protection across all operations. Risk management practices aimed at minimizing incidents that could lead to uninsured losses and ensuring claims are properly managed.
Dividend & Taxation Risks	**Dividend Policy:** Future dividend payments are not guaranteed and will depend on the Company's financial condition, capital needs, and strategic decisions by the Board.	Clear communication of dividend policies and financial strategies to shareholders.
	Tax Implications: The acquisition and disposal of shares may have varied tax consequences depending on individual financial circumstances.	Encouraging shareholders to seek independent tax advice when making investment decisions to ensure they understand potential tax implications.
Other Global/National Issues	**Geopolitical and Global Risks:** Trade barriers, currency exchange controls, political instability, hostilities (e.g., Ukraine-Russia conflict), terrorism, natural disasters, and pandemics could disrupt NRZ's operations, financial performance, and supply chains, as well as impact global market conditions.	Crisis management and contingency planning to address potential global disruptions, including monitoring geopolitical risks and maintaining flexibility in operations.
	COVID-19: The ongoing pandemic or new virulent strains could delay the NRUP due to workforce availability and movement restrictions.	Continued adherence to COVID-19 protocols and adjusting workforce management strategies to mitigate potential impacts.

DIVIDENDS

The Directors do not recommend a dividend payment, and no amount has been paid or declared since the end of the previous financial year.

MATTERS SUBSEQUENT TO THE END OF THE YEAR

On the 5th of August 2024, the Company completed a private placement of shares, raising approximately $1,600,000 before costs.

MEETINGS OF DIRECTORS

During the financial year, the number of meetings held at which a director was eligible to attend and the number attended by each director was:

	Board Meetings		Audit Committee & Risk Committee	
Director	**Meetings Held**	**Meetings attended**	**Meetings Held**	**Meetings Attended**
Daniel Justyn Peters	11	11	4	4
Zheng Xiaojiang	11	11	2	2
Zhe Wang	11	11	-	-
Manyoo Han	2	2	-	-
Jordan Mehrtens	5	5	2	2
Jaehyung Yoo	1	-	-	-
Murray Chatfield	5	5	3	3
Phil Staveley	5	5	-	-
Sunghun Ryu	8	6	-	-

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

The relevant interest of each director at the date of this report is:

Director	Shares	Options
Daniel Justyn Peters	12,030,119	268,728
Zheng Xiaojiang	8,476,964	4,040,641
Zhe Wang	14,285,714	1,406,559
Manyoo Han	-	-
Jordan Mehrtens	1,408,614	108,908

UNISSUED SHARES UNDER OPTIONS

Unissued ordinary shares of NeuRizer Ltd under option at the date of this report are:

Expiry date	Exercise price	Number of shares on exercise
15-Jan-2025	$0.23	800,000
29-May-2028	$0.00	20,411,727
2-Dec-2025	$0.00	702,128
14-April-2025	$0.00	799,165
1-May-2025	$0.20-$0.26	6,000,000
1-December-2025	$0.15	9,479,318
14-February-2028	$0.00	7,052,695
16-February-2026	$0.221	2,000,000
6-March-2026	$0.12	4,359,375
17-August-2026	$0.00	30,000
25-July-2027	$0.00	405,000
24-November-2025	$0.07	85,806,472
Total		**137,845,880**

INDEMNITIES GIVEN TO, AND INSURANCE PREMIUMS PAID FOR, OFFICERS

During the year, the company paid a premium to insure officers of the Group, including all Directors. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group.

Details of the premium paid for insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred by an officer as such.

INDEMNITY OF AUDITORS

The Group has agreed to indemnify its auditors, Ernst & Young, to the extent permitted by law against any claim by a third party arising from the Group's breach of its agreement. The indemnity requires the Group to meet the full amount of such liabilities, including reasonable legal costs.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration for the year ended 30 June 2024 can be found on page 29 and forms part of the Directors' Report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

REMUNERATION IN BRIEF (UNAUDITED)

The following is a summary of remuneration actually paid or payable to KMP for FY24 (non-IFRS and unaudited).

Name	Directors Fees	Salary & Wages	Other	Super	Total Cash
	$	$	$	$	$
Daniel Justyn Peters	-	381,000	-	20,020	401,020
Zheng Xiaojiang	-	-	10,370	11,509	21,879
Zhe Wang	-	-	-	-	-
Manyoo Han	-	-	-	-	-
Jordan Mehrtens[1]	-	46,429	-	5,107	51,536
Jaehyung Yoo	-	-	-	-	-
Murray Chatfield	-	-	-	9,643	9,643
Phil Staveley	-	890,624[2]	-	16,042	906,666
Sunghun Ryu	-	-	-	-	-
TOTAL	**-**	**1,318,053**	**10,370**	**62,321**	**1,309,744**

(1) The above remuneration for J Mehrtens is from the date of appointment as Director, 11 February 2024, which is the date Ms Mehrtens was first considered to be a KMP.
(2) $255,624 of this amount relates to ordinary Salary & Wages, and $635,000 relates to redundancy payments.

Disclosures required in the remuneration report by the Corporations Act, particularly the inclusion of accounting values for LTI performance rights awarded but not vested, can vary significantly from the remuneration actually paid to KMP. This is because the Accounting Standards require a value to be placed on a right at the time it is granted and then reported as remuneration, even if ultimately the person does not receive any actual value, for example, because performance conditions are not met, and the rights do not vest.

A summary of the audited cost to the Company of key management personnel (KMP) remuneration is provided in the audited Remuneration Report, commencing on the following page.

REMUNERATION REPORT – AUDITED

The Directors of the Group present the Remuneration Report for the Company and its controlled entities for the year ended 30 June 2024. This report forms part of the Directors' Report and has been audited in accordance with section 300A of the Corporations Act 2001. The Report details the remuneration arrangements for NeuRizer's key management personnel (KMP). KMPs are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Company and Group.

The table below outlines the KMP of the Group:

Name	**Position**	**Term as KMP**
Daniel Justyn Peters	Executive Chairman	Full financial year
Zheng Xiaojiang	Non-Executive Director	Full financial year
Zhe Wang	Non-Executive Director	Full financial year
Manyoo Han	Non-Executive Director	From 17 May 2024
Jordan Mehrtens [1]	Non-Executive Director, Company Secretary	From 11 February 2024
Jaehyung Yoo	Non-Executive Director	To 31 July 2023
Murray Chatfield	Non-Executive Director	To 20 December 2023
Phil Staveley	Managing Director	To 15 January 2024
Sunghun Ryu	Non-Executive Director	From 31 July 2023 to 17 May 2024

(1) J Mehrtens was considered to be a KMP from the date she became a Non-Executive Director, and was not considered a KMP in her prior sole role as Company Secretary.

Principles used to determine the nature and amount of remuneration

The remuneration policy is designed to align the objectives of the KMP with shareholder and business objectives. The Board of NeuRizer believes the policy is appropriate and effective in attracting and retaining the best Directors and Executives to manage and direct the Group and create goal congruence between Directors, Executives, and shareholders.

The Company's policy for determining the nature and amounts of emoluments of board members and other Key Management Personnel is as follows:

The Company's Constitution specifies that the total remuneration of non-executive Directors shall be fixed from time to time by a general meeting. The maximum aggregate remuneration of non-executive Directors has been set at $750,000 per annum. Directors may apportion any amount up to this maximum among the non-executive Directors as they determine. Directors are entitled to be paid reasonable travel, accommodation and other expenses incurred in performing their duties.

Non-executive Director remuneration is by way of fees and statutory superannuation contributions. Non-executive Directors do not participate in schemes designed for the remuneration of executives. However, they may receive options or bonus payments subject to shareholder approval, which may be proposed by the Board under certain circumstances. Due to cash constraints, during FY24, Z Wang, Z Xiaojiang and M Chatfield did not receive cash remuneration relating to their NED duties, except for superannuation paid as per the table below. Agreement was reached to issue NEDs with share based remuneration in lieu of cash based remuneration, and the shares to be issued in lieu of the cash remuneration foregone are subject to approval by shareholders at a general meeting. The amount of shares to be issued is calculated each month using a VWAP. The amount of superannuation paid to NEDs as set out in the table below is based on the cash value of the shares provided in lieu of cash remuneration. Directors are not provided with retirement benefits besides salary sacrifice and statutory superannuation.

The Company's remuneration structure is based on several factors, including the individual's experience and performance in meeting the company's key objectives. The Board is responsible for assessing relevant employment market conditions and achieving the long-term aim of maximising shareholder benefits by retaining high-quality personnel.

The Board may approve the payment of cash bonuses from time to time to reward individual executive performance in achieving key objectives as considered appropriate by the Board.

The Company also has an Employee Share Option Plan, approved by shareholders, enabling the Board to offer eligible employees options to acquire ordinary fully paid shares. Under the terms of the Plan, options to acquire ordinary fully paid shares may be offered to the Company's eligible employees at no cost unless otherwise determined by the Board per the terms and conditions of the Plan. The Plan's objective is to align the interests of employees and shareholders by providing employees of the Company with the opportunity to participate in the equity of the Company as an incentive to achieve greater success for the Company and to maximise the company's long-term performance.

As the Company is developing an energy asset that is not yet in production, in the opinion of the Board, the Company's earnings and the consequences of the Company's performance on shareholder wealth are not related to the Company's remuneration policy.

Voting at the 2023 AGM

Of the total valid available votes lodged, NeuRizer received 44.73% "yes" votes on its remuneration report for the 2023 financial year. As such, the motion was not carried. Discussions of remuneration at the AGM included concerns that the remuneration benchmarking exercise conducted by the board did not align with remuneration subsequently paid and that the overall remuneration provided to KMP during the year was excessive. As a response to this, the Company recovered amounts deemed to be inconsistent with the benchmarking undertaken by the Board and undertook significant remuneration reductions during the year, as can be seen in the KMP Employment Agreements section below and the tables that follow. We encourage shareholders to consider the changes made in this year's report.

KMP EMPLOYMENT AGREEMENTS

Remuneration and other terms of employment for Key Management Personnel are formalised in a Service Agreement. The significant provisions of the agreement relating to remuneration are set out below:

Name	Fixed Remuneration	Terms of agreement	Notice period	Termination payments
D J Peters	51,290	Ongoing	Twelve months	Nil
J Mehrtens	133,800[3]	Ongoing	Three months	Nil

(1) Service agreements are presented as at 30 June 2024 and are inclusive of Superannuation. On 30 June 2023, D J Peters agreed to a reduction in Fixed Remuneration to $576,000 inclusive of statutory superannuation. Between 1 July 2023 and 29 February 2024, D J Peters was paid a reduced cash remuneration at an average rate annualised to $426,247, and the amounts owing of $81,501 related to this reduction will accrue and be paid at a later date. The amount owing of $81,501 is net of statutory superannuation which was paid on the Fixed Remeration amount of $576,000. Effective 1 March 2024, D J Peters agreed to a reduction in Fixed Remuneration to $51,290 per annum inclusive of statutory superannuation. By agreement with the Board, D J Peters has retained long-service leave and annual leave earned to 29 February 2024 based on the prior salary entitlement, and this is reflected in the remuneration table below.

(2) D J Peters employment is ongoing until terminated by either NRZ or the individual upon twelve months' notice. J Mehrtens employment is ongoing until terminated by either NRZ or the individual upon three months' notice. NRZ must pay any amount owing but unpaid to the employee whose services have been terminated at the date of termination, such as accrued leave entitlement.

(3) Remuneration for J Mehrtens relates to her salary in respect of her Company Secretary role and was her agreed salary prior to also becoming a Non-Executive Director role. On agreeing to become a Non-Executive Director of the Company on 11 February 2024 Ms Mehrtens has not received any additional remuneration. She was not considered to be a KMP prior to taking on the Non-Executive Director role.

Details of remuneration

Details of the nature and amount of each element of the remuneration of each KMP of the Group are shown in the table below:

Directors	Year	Short term benefits				Long term benefits	Post-employment	Share-based payments	Total	Performance-based - related
		Director Fees	Salary & wages	Other	Non-monetary [1]	Long service leave	Superannuation	Shares Options[2, 3]		
Current KMP										
D J Peters	2024	-	381,000	-	-	17,572	20,020	(126,985)	291,607	-
	2023	-	565,780	-	-	56,700	27,500	488,898	1,138,878	43
Z Wang[10]	2024	-	-	-	-	-	-	32,959	32,959	-
	2023	67,667	-	-	-	-	-	-	67,667	-
Z Xiaojiang[10]	2024	-	-	10,370[8]	-	-	11,509	92,538	114,417	-
	2023	69,985	-	153,333	-	-	11,023	-	234,341	-
M Han	2024	-	-	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-	-	-
J Mehrtens[9]	2024	-	46,429	-	-	1,351	5,107	-	52,887	-
	2023	-	-	-	-	-	-	-	-	-
Former KMP										
P J Staveley	2024	-	890,624[4]	-	3,917	(159,536)	16,042	(126,985)[6]	624,062	-
	2023	-	1,182,121[5]	-	13,184	268,234	27,500	488,898	1,979,937	25
M Chatfield[10]	2024	-	-	-	-	-	9,643	62,509	72,152	-
	2023	120,939	-	-	-	-	22,324	106,677	249,940	-
J Yoo	2024	-	-	-	-	-	-	-	-	-
	2023	58,000	-	-	-	-	-	-	58,000	-
S Ryu	2024	-	-	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-	-	-
Total	**2024**	**-**	**1,318,053**	**10,370**	**3,917**	**(140,613)**	**62,321**	**(65,965)**	**1,188,083**	**-**
	2023	**316,591**	**1,747,901**	**153,333**	**13,184**	**324,934**	**88,347**	**1,084,473**	**3,728,763**	**-**

(1) Non-monetary benefits include benefits provided to the KMP on which Fringe Benefits tax is paid.

(2) In accordance with the Accounting Standards, remuneration includes a proportion of the fair value of the options granted. The fair value of options is determined at the grant date and is progressively allocated over the vesting period. The amount included as remuneration is not indicative of the benefit (if any) that the employee may ultimately realise should the options vest. The fair value of the options as of the grant date has been determined in accordance with the accounting policy in Reserves note 12. The allocation in 2023 and 2024 includes a proportionate allocation of all share-based payment awards issued in the current and prior year, for which an amortisation charge is applicable in the given year.

(3) In respect of D J Peters and P J Staveley, the share-based payment charge for the year includes the impact of truing up the fair value of the third tranche of LTIs (with an expiry date of 30 June 2025) to the revised fair value of $0 at 30 June 2024 given these awards have not been approved by shareholders and consequently grant date has not passed. In the current period, the valuation under accounting standards has decreased, and this award is now valued at $0, with the impact reflected within the total share-based payment charge to each individual in the year, resulting in a negative charge being recognised. If shareholder approval is sought for the third tranche of LTIs, then the fair value may be revised in subsequent periods, noting that shareholder approval will only be sought for J Peters and not P Staveley following his departure.

(4) $255,625 of this amount relates to ordinary Salary & Wages, and $635,000 relates to redundancy payments. The position of P J Staveley was made redundant on 15 January 2024. The relevant notice period for this termination was twelve months, and P J Staveley held significant Annual Leave and Long-Service Leave balances at the time of termination. It was agreed that the payment on redundancy, including all entitlements and notice, would be $1,200,000, less an agreed

overpayment of $390,000 from the prior year. Amounts taken into consideration in determining this payment included a twelve-month notice period and significant long-service and annual leave balances, along with standard redundancy entitlements. Amounts included in the total payment of $1,200,000 that relate to long service leave and annual leave accrued in prior periods are not reflected in the table above, which is prepared on an accruals basis and therefore the redundancy payment of $635,000 disclosed above is less than the agreed total cash payment of $1,200,000 less $390,000. At the date of this report, all amounts owing to P J Staveley under this agreement have been paid in full.

(5) The prior year's Salary & Wages figure for P J Staveley includes the overpayment amount of $390,000, as this reflects the actual amounts paid during the period. On 1 August 2022, the board approved a change in remuneration to P J Staveley to reflect a 'P90' benchmark. P J Staveley was subsequently issued a variation letter which changed his fixed remuneration to $1,500,000 per annum. According to the benchmarking, this $1,500,000 figure included amounts relating to Short-Term and Long-Term incentives and was, therefore, not the appropriate figure for the basis of fixed remuneration. At the time of the redundancy of P J Staveley, it was agreed that the appropriate fixed remuneration amount as per the benchmarking was $790,000, and therefore, the resulting overpayment for the prior year was $392,121, rounded to $390,000 as per the agreement made upon redundancy.

(6) Upon the redundancy of the position of P J Staveley, he remained entitled to the LTIs of the FY24 year should the relevant share price targets be met (which were not) but would not be entitled to the LTIs of the FY25 year. The fair value of the FY25 LTIs was reduced to nil prior to his redundancy.

(7) This reversal of (159,536) reflects the reduction of Long-Service Leave owing to P J Staveley to reflect the accrual for long service leave at the revised fixed remuneration amount of $790,000 explained above.This does not reflect any payment or settlement of long service leave amounts settled in cash as these amounts have been accrued in prior periods.

(8) Mr Xiaojiang provided consulting services during the year, which were consistent with those provided in the prior year.

(9) As noted above, J Mehrtens did not receive any additional remuneration for taking on the role of Director in addition to her Company Secretariat role. However, for completeness of payments made to Directors, the remuneration earned by J Mehrtens since her appointment as a Director of the Company on 11 February 2024 has been included in the table above. J Mehrtens was considered to be a KMP from the date she became a Non-Executive Director, and was not considered a KMP in her prior sole role as Company Secretary.

(10) In FY2024 due to cash constraints, Z Wang, Z Xiaojiang and M Chatfield did not receive cash remuneration relating to their NED duties, except for superannuation paid as per above. Agreement was reached to issue NEDs with share-based remuneration in lieu of cash based remuneration, and the options to be issued in lieu of the cash remuneration foregone are subject to approval by shareholders at a general meeting. Share-based amounts issued in lieu of cash remuneration for the period to September 2023 were approved at the AGM in November 2023. The number of shares to be issued in lieu of cash remuneration each month is calculated using a 20-day VWAP as at the 14th of each month. The amount of superannuation paid to NEDs is based on the face value of the shares provided in lieu of cash remuneration, whereas the share-based payment charge recognised is based on the fair value of the award.

Share-based remuneration

Unlisted options are granted to Directors and Key Management Personnel as part of their remuneration. Most of the options are subject to performance criteria, as outlined below. They are issued to the relevant directors and Key Management Personnel of the Group to increase goal congruence between executives, directors, and shareholders. All options refer to options over ordinary shares of the Company, which are exercisable on a one-for-one basis under the terms of the agreements.

Options for NEDs Z Wang, Z Xiaojiang and M Chatfield in lieu of cash remuneration for the period to September 2023 were approved at the AGM in November 2023. The number of shares to be issued in lieu of cash remuneration each month is calculated using a 20-day VWAP as at the 14th of each month. The amount of superannuation paid to NEDs is based on the face value of the shares provided in lieu of cash remuneration, whereas the share-based payment charge recognised is based on the fair value of the award. Details of these options issue are as below (Plan 6 of Note 12):

Z Wang # Options	1,220,706
Z Xiaojiang # Options	3,427,329
M Chatfield # Options	2,315,133
Total number issued	**6,963,168**
Grant date	10 November 2023
Share price at the grant date	$0.027
Fair value at the grant date	$0.027
Exercise price	$0.00
Exercisable from	14 February 2024

Long-Term Incentives (LTIs)

Long-Term Incentives (LTIs) were granted to each of the Executive Chairman and Managing Director during the 2022 financial year. The LTIs granted have progressive service periods, as detailed in the table below, with the share-based payment expense being amortised according to the vesting date. The Fair Value of the LTIs was determined using a Monte Carlo valuation using the inputs set out in the table below. The amount expensed is not indicative of the benefit (if any) that the employee may ultimately realise should the LTIs be awarded, as the actual award of options is subject to achieving the share price targets as below.

Period	Vesting date	Award/Grant date	Number of Options (zero exercise price)	Share price target based on 30 trading day VWAP as at 30 June of the year	Maximum number to be awarded to each if the share price hits the targets for the period	Fair Value per option at the grant date
FY24	30 June 2024[1]	30 June 2021/ 4 November 2021	2 million	$0.65	15 million	11.3 cents
			2.5 million	$0.80		
			3 million	$0.95		
			3.5 million	$1.10		
			4 million	$1.25		
FY25	30 June 2025[2]	Award date 30 June 2021/ Grant Date N/A - not granted, pending shareholder approval	3 million	$0.95	36 million (less any issued in the previous year relating to equivalent targets)	0 cents (2023: 5.8 cents, initial valuation: 14 cents)
			3.5 million	$1.10		
			4 million	$1.25		
			4.5 million	$1.55		
			5 million	$1.70		
			7 million	$1.85		
			9 million	$2.15		

(1) These options lapsed and did not vest at 30 June 2024 as the associated share price targets were not achieved.

(2) As per the Notice of AGM for the 2021 meeting, the Board intended to award up to an additional 36,000,000 (less any issued in the previous year relating to equivalent targets) options each to DJ Peters and PJ Staveley that will vest on 30 June 2025 if the award criteria were met. While these awards have been approved by the Board, they have not yet been approved by the shareholders on the basis that the 2021 AGM was more than three years from the final rating period at the tme of initial award. These awards may be subject to shareholder approval at a future AGM, noting that shareholder approval will only be sought for J Peters and not P Staveley following his departure. As the awards have been approved by the Board, the requirements of the share-based payment accounting standard apply. They have been fair valued, and the share-based payment charge amortised in line with accounting standards and included within the KMP remuneration table on page 58. As the grant date has not yet passed, the options are remeasured at their current fair value at 30 June 2024, and the amortisation charge for the year is reflected in the remuneration table. At 30 June 2024, these options were valued at $0. In the current period, the valuation has decreased and this award is now valued at $0 (2023: $1,484,950), with the impact of this reduction reflected within the total share-based payment charge, resulting in a net ($965,286) reversal of LTI expenses in FY24.

Number of Options held by Key Management Personnel

The number of options to acquire ordinary shares in the Company, held during the 2024 reporting period by each of the Group's Key Management Personnel, including their related parties, is set out below:

Name	Balance at the start of the year	Granted as remuneration	Exercised	Other changes[2]	Closing balance	Vested & exercisable at the end of the reporting period
D J Peters	15,268,728[1,2]	-	-	(15,000,000)	268,728	268,728
P J Staveley	15,433,400[1,2]	-	-	(15,433,400)	-	-
M Chatfield	2,000,000	2,315,133[4]	-	(4,315,133)	-	-
Z Wang	185,853	1,220,706[4]	-	-	1,406,559	1,406,559
Z Xiaojiang	613,312	3,427,329[4]	-	-	4,040,641	4,040,641
M Han	-	-	-	-	-	-
J Yoo	-	-	-	-	-	-
S Ryu	-	-	-	-	-	-
J Mehrtens	-	350,372	(356,596)	115,132[3]	108,908	108,908
Total	**33,501,293**	**7,313,540**	**(356,596)**	**(34,633,401)**	**5,824,836**	**5,824,836**

(1) The 25,500,000 (36,000,000 less any able to be issued in the two previous years relating to equivalent targets) LTI options to D J Peters and P J Staveley with a vesting date of 30 June 2025, set out in the table above, have been approved for issue by the Board and therefore have been fair valued and the share-based payment charge amortised in line with accounting standards and included within the KMP remuneration table on page 33. However, these options have not been approved by shareholders as the LTI scheme was put to the 2021 AGM, and at that time, the options vesting in 2025 would be issued more than three years from the AGM date, and consequently, approval of the grant by shareholders was deferred. As these options have not been granted, they are not included in the table above on the basis that they have not legally been issued to the individuals and are, therefore, not held or listed on the Company's register of options. As the grant date has not yet passed, the options are remeasured at their current fair value of $0 at 30 June 2024, and the amortisation charge for the year reflected in the remuneration table is adjusted to take into account the revised fair value and the cumulative share-based payment charge that should be recognised to 30 June 2024.

(2) Included in the opening balance of options for D J Peters and P J Staveley are 15,000,000 options each, which have been granted as an LTI in accordance with the details in the LTI incentives table. While granted for accounting purposes, the legal process of issuing the options has not been undertaken on the basis that they will only be issued if they become exercisable. Accordingly, they are not included in the company's options register or the options table within the Directors Report. As stated above, of the 15,000,000 options granted and on foot at the start of the year for each of D J Peters and P J Staveley, 15,000,000 options lapsed on 30 June 2024 as the share price target was not met. These are disclosed within the Other Movements column above. There are additional adjustments of (433,400) for P J Staveley and (4,315,133) for M Chatfield in the Other movements column to represent their respective exits as Directors.

(3) J Mehrtens was appointed as Director on 11 February 2024. This balance represents her holdings at the date of appointment.

(4) As set out in the Notice of the 2023 AGM (resolutions 8-10) options were issued toM Chatfield, Z Wang and Z Xiaojiang in lieu of Directors Fees (and in the case of Z Xiaojiang also consulting services).

The number of ordinary shares in the Company held to 30 June 2024 by each of the Group's KMP, including their related parties, as set out below:

Name	Balance at the start of the year	Granted as remuneration	Received on exercise	Other changes[1]	Held at the end of the reporting period
D J Peters	13,139,703	-	-	(1,109,584)	12,030,119
P J Staveley	6,514,659	-	-	(6,514,659)	-
M Chatfield	1,861,154	-	-	(1,861,154)	-
Z Wang	-	-	-	14,285,714[3]	14,285,714
Z Xiaojiang	8,476,964	-	-	-	8,476,964
M Han	-	-	-	-	-
J Yoo	-	-	-	-	-
S Ryu	-	-	-	-	-
J Mehrtens	-	-	356,596	1,052,018[2]	1,408,614
Total	**29,992,480**	**-**	**356,596**	**5,852,335**	**36,201,411**

(1) Other changes include purchases or sales during the financial year or the removal of their shareholding from this table on the date they ceased to be a KMP.
(2) J Mehrtens was appointed as a Non-Executive Director on 11 February 2024. This balance represents her holdings at the date of appointment, when she became a KMP.
(3) On 10 May 2023 the Company announced a private share placement between the Company and Z Wang to raise $1.0 million in funding at a share price of $0.07. As set out in the Notice of the 2023 AGM (Resolution 4) the placement resulted in the issue of 14,285,714 shares to Mr Wang. As the issuance of the shares was subject to shareholder approval and required placement capacity before the shares could be issued, the movement in shares held is shown in the current period.

Overview of company performance

	Units	FY20	FY21	FY22	FY23	FY24
Net loss after tax	$ million	(7.2)	(13.6)	(20.4)	(18.4)	(5.6)
Earnings per share	Cents per share	(1.26)	(2.06)	(2.48)	(1.78)	(0.39)
Cash outflow from operating activities	$ million	(6.0)	(4.6)	(10.2)	(9.0)	(3.6)
Net assets	$ million	34.2	51.3	56.5	72.8	73.0
Dividends declared	Cents	0	0	0	0	0
Shares on issue	Million	655	813	954	1,246	1,902

Loans to Key Management Personnel

The Group has no outstanding receivables relating to employee loans or Key Management Personnel at the date of this report.

Related party transactions

During the reporting period:

Zheng Xiaojiang provided investor relations services for $10,370 (2023: $153,333). There was no amount due for payment at the end of the reporting period. Mr Xiaojiang is a Non-Executive Director of the Company.

END OF AUDITED REMUNERATION REPORT

AUDITOR'S INDEPENDENCE

Ernst & Young continues in office in accordance with Section 327 of the *Corporations Act 2001*.

The auditor has not been engaged during the year for any non-audit services which may have impaired the auditor's independence. The auditor's independence declaration for the year ended 30 June 2024 has been received and is included in this report.

Signed in accordance with a resolution of the Board.

D J Peters

Executive Chairman

Dated this 25th day of October 2024

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the Board) of NeuRizer Ltd (the Company) is committed to achieving and demonstrating the highest standard of Corporate Governance.

The Board guides the company's affairs on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board has responsibility for the overall Corporate Governance of the Company, including its strategic direction, the establishment of goals for its management and the monitoring of the achievement of those goals.

The Directors recognise that their primary responsibility is to the owners of the Company and its shareholders while having regard to the interests of all stakeholders and the broader community.

The statement outlines the Company’s corporate governance practices during the financial year. The Company’s statement is based on the ASX Corporate Governance Councils Corporate Governance Principles and Recommendations (4^{th} Edition).

Although the ASX Corporate Governance Council’s Recommendations are not mandatory, under listing rule 4.10.3, companies must provide a statement disclosing the extent to which they have followed the recommendations in the reporting period, identifying any principles that have not been followed with reasons for not having done so.

The statement of revised principles and the Company’s compliance with each principle are set out on the Company’s website www.neurizer.com.au/esg/governance/.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of NeuRizer Ltd:

    a. The consolidated financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:

        i. Giving a true and fair view of the financial position as at 30 June 2024 and of the performance of the Group for the year ended on that date; and

        ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

    b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, subject to the outcomes required as set out in the Notes to the Financial Statements (see Note 1).

2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2024.

3. The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001*, included on Page 70, is true and correct.

4. Note 1 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors.

D J Peters

Executive Chairman

Dated this 25th day of October 2024

Building a better
working world

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Auditor's independence declaration to the directors of NeuRizer Ltd

As lead auditor for the audit of the financial report of NeuRizer Ltd for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of NeuRizer Ltd and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

L A Carr
Partner
25 October 2024

Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2024

	Notes	2024 $	2023 $
Other income	2(a)	189,248	983,756
Other expenses	2(b)	(1,590,894)	(5,104,112)
Depreciation of property, plant and equipment		(31,455)	(45,386)
Employee benefits expense	10	(1,174,583)	(8,433,558)
Operating loss		**(2,607,684)**	**(12,599,300)**
Finance income	3(a)	24,587	7,160
Finance costs	3(b)	(3,020,709)	(3,669,996)
Loss before income tax		**(5,603,806)**	**(16,262,136)**
Income tax	4(a)	-	-
Loss for the year after income tax		**(5,603,806)**	**(16,262,136)**
Total other comprehensive income		-	-
Total comprehensive (loss) for the year		**(5,603,806)**	**(16,262,136)**

Earnings per share		**Cents**	**Cents**
Basic (cents per share)	20	(0.39)	(1.58)
Diluted (cents per share)	20	(0.39)	(1.58)

The accompanying notes form part of these financial statements.

Consolidated statement of financial position as at 30 June 2024

	Notes	2024 $	2023 $
Assets			
Current assets			
Cash Assets	5	568,722	1,211,663
Trade and other receivables	15	-	19,720
Prepayments		2,005	200,897
Total current assets		**570,727**	**1,432,280**
Non-current assets			
Other financial assets	6	613,590	664,806
Property, plant and equipment	7	3,670,948	3,846,413
Exploration and evaluation expenditure	8	124,206,241	122,429,070
Right-of-use Asset		257,354	294,721
Total non-current assets		**128,748,133**	**127,235,010**
Total assets		**129,318,860**	**128,667,290**
Liabilities			
Current liabilities			
Trade and other payables	9	52,656,502	49,244,175
Borrowings	15	1,000,000	2,196,185
Employee entitlements	10	771,211	1,975,505
Lease liabilities	15	102,222	111,072
Other financial liabilities	22	-	1,545,556
Total current liabilities		**54,529,935**	**55,072,493**
Non-current liabilities			
Borrowings	15	885,637	-
Employee entitlements	10	170,020	110,601
Lease Liabilities	15	119,757	135,386
Provision for restoration and make good	6	595,000	595,000
Total non-current liabilities		**1,770,414**	**840,987**
Total liabilities		**56,300,349**	**55,913,480**
Net assets		**73,018,511**	**72,753,810**
Issued Capital	11	163,312,969	157,405,054
Share option reserve	12	16,534,793	16,574,201
Retained losses		(106,829,251)	(101,225,445)
Total equity		**73,018,511**	**72,753,810**

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity for the year ended 30 June 2024

	SHARE CAPITAL $	RETAINED LOSSES $	SHARE OPTION RESERVE $	TOTAL EQUITY $
BALANCE 1 July 2023	**157,405,054**	**(101,225,445)**	**16,574,201**	**72,753,810**
Total comprehensive income				
Total profit or (loss)	-	(5,603,806)		(5,603,806)
Other comprehensive income	-	-	-	-
Total comprehensive loss	**-**	**(5,603,806)**	**-**	**(5,603,806)**
Transactions with members in their capacity as owners:				
Issue of share capital (net of costs)	5,907,915	-	-	**5,907,915**
Issue of share-based payments	-	-	(39,408)	**(39,408)**
Total transactions with owners	**5,907,915**	-	**(39,408)**	**5,868,507**
Balance at 30 June 2024	**163,312,969**	**(106,829,251)**	**16,534,793**	**73,018,511**

	SHARE CAPITAL $	RETAINED LOSSES $	SHARE OPTION RESERVE $	TOTAL EQUITY $
BALANCE 1 July 2022	**128,679,704**	**(84,963,309)**	**12,771,247**	**56,487,642**
Total comprehensive income				
Total profit or (loss)	-	(16,262,136)	-	(16,262,136)
Other comprehensive income	-	-	-	-
Total comprehensive loss	**-**	**(16,262,136)**	**-**	**(16,262,136)**
Transactions with members in their capacity as owners:				
Issue of share capital (net of costs)	28,725,350	-	-	**28,725,350**
Issue of share-based payments	-	-	3,802,954	**3,802,954**
Total transactions with owners	**28,725,350**	-	**3,802,954**	**32,528,304**
Balance at 30 June 2023	**157,405,054**	**(101,225,445)**	**16,574,201**	**72,753,810**

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows for the year ended 30 June 2024

	Notes	2024 $	2023 $
Operating activities			
Interest received	3(a)	24,587	7,160
Payments to suppliers and employees		(3,584,938)	(9,055,390)
Net cash flows used in operating activities	16(b)	**(3,560,351)**	**(9,048,230)**
Investing activities			
Purchase of property, plant & equipment	7	-	(161,723)
R&D rebates received	8	3,049,600	5,529,103
Capitalised exploration costs	8	(2,533,078)	(25,109,058)
Increase/(decrease) in long-term bank deposits	6	51,216	530,900
Proceeds from the sale of the subsidiary	13	-	3,104,956
Proceeds from the sale of property, plant & equipment		258,874	-
Net cash flows used in investing activities		**826,612**	**(16,105,822)**
Financing activities			
Issue of shares		2,720,079	19,782,304
Proceeds for unissued share capital		-	4,600,000
Proceeds from the exercise of options		1,078	-
Share issue transaction costs		(247,251)	(303,898)
Proceeds from borrowings		2,000,000	6,560,345
Payments of borrowing costs	16(c)	(2,291,418)	(4,708,212)
Payment of principal of lease liabilities	16(c)	(91,690)	(8,073)
Net cash flows from financing activities		**2,090,798**	**25,922,466**
Net change in cash and cash equivalents	5	(642,941)	768,414
Cash and cash equivalents at the beginning of the year	5	1,211,663	443,249
Cash and cash equivalents, end of year	16(a)	**568,722**	**1,211,663**

The accompanying notes form part of these financial statements.

1. Corporate Information

The consolidated financial statements of NeuRizer Ltd and its subsidiaries (the "Group") for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 25 October 2024. NeuRizer is a limited company incorporated and domiciled in Australia whose shares are publicly traded. The registered office is located at Level 5, 19 Grenfell Street, Adelaide, SA 5000.

The Group's principal activity is developing the NeuRizer Urea Project (NRUP).

Significant accounting policies

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Australian Accounting Standards (AAS) as issued by the Australian Accounting Standards Board (AASB). The statements have been prepared on an accrual basis and are based on historical costs and certain financial liabilities for which the fair value basis of accounting has been applied. The consolidated financial statements are presented in the functional currency of each Group entity, Australian dollars (AUD), and rounded to the nearest dollar, except where otherwise indicated.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of business activities, the realisation of assets and the settlement of liabilities in the ordinary course of business, and at the amounts stated in the financial report.

For the year ended 30 June 2024, the Group incurred a loss of $5,603,806 (2023: $16,262,136) and had net operating and investing cash outflows of $2,733,739 (2023: 25,154,052). At 30 June 2024, the Group's current liabilities exceeded its current assets by $53,959,208 (2023: 53,640,213), and net assets were $73,018,511 (2023: 72,753,810).

Short term fund raising

The Directors' cash flow forecasting for the next 12 months from the date of signing these financial statements assumes ongoing significant cost reductions, including ongoing scaling back corporate and NRUP-related expenditures to essential activities only. The Group has minimized its staff numbers and reduced office space to conserve cash. The forecast also assumes minimal expenditure on the NRUP until the Stage 1 environmental requirements are received from the federal government.

The Director's in their cash flow forecasting consider that, supported by past performance, it will be able to raise small amounts of equity to be able to pay debts as and when they fall due, until the matters with DL E&C are resolved, and/or strategic transactions are completed, that are expected to generate revenue and positive cash flows for the Group. Specifically, it is anticipate that $300,000 in funds will be received in the first half of November 2024, and, that further minor raises will be required shortly thereafter, and again during the remainder of the FY 2025 financial year.

Stage 2 contract with DL E&C Co. Ltd

Included in current liabilities is a total amount owing of USD 34,344,764/AUD 51,848,980 in respect of the Engineering, Procurement, Construction, and Commissioning (EPCC) contract with Daelim (DL E&C), inclusive of USD 1,521,679/AUD 2,297,221 in interest. Of this amount, USD 19,334,130/AUD 29,187,999 has been invoiced and is considered due and payable by DL E&C, with the remaining amount accrued based on project status, but not yet invoiced in accordance with contract milestones.

Per the Group's announcement on 5 February 2024, DL E&C confirmed via written correspondence to NRZ that the Group is not deemed to be in default concerning trade creditors and accrual balances (disclosed in Note 21). Interest will continue to accrue at the Secured Overnight Financing Rate (SOFR) plus 3% on the amounts invoiced, until a resolution is reached.

The Company is currently reviewing the amounts payable in accordance with the contract milestones and service delivery outcomes under the contract to date. This includes consideration of information contained within a final draft independent Quantity Surveyor (QS) report with respect to potential costs of construction relative to the capital costs proposed in the Bankable Feasibility Report issued by DL E&C, and matters identified with respect to the process followed by DL E&C.

In September 2024, the Company received a request from DL E&C for a further deferred payment agreement with the same interest terms as above, however, with a specific payment schedule and terms required to resolve repayment of the outstanding amounts. It was requested that this agreement be finalised by the end of October 2024. At the date of this report, no payment arrangement has been reached and the deferred payment agreement remains unsigned, and this has been acknowledged by DL. Therefore, as of the date of this report the correspondence of 5 February 2024 that the Group is not deemed to be in default remains current.

Notwithstanding the written request for a payment arrangement to be reached, verbal communications have indicated that DL E&C wish to continue discussions with NeuRizer to resolve outstanding matters. Whilst they acknowledge the third deferred payment agreement remains unsigned and outstanding, DL E&C retain the right to call the debt at any time. NeuRizer believe ongoing negotiations under the contract will continue, and, in the event that DL E&C choose to immediately call the amounts owing, that NeuRizer has mechanisms available under the contract to challenge and propose alternate courses of action.

Strategic transactions:

In respect of these strategic transactions, the current status is as follows:

- 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. Any transaction is subject to review by the ASX, and NRZ is currently working with its lawyers on this transaction prior to submitting it for review. The Company aims to complete this in November.
- As a consequence of the 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. The Company aims to complete at least one of these agreements in November 2024.
- As announced on 6 February 2024, NRZ signed a term sheet with Samsung C&T Corporation to negotiate in good faith to develop a sales and marketing agreement for the Australia urea market. Samsung are conducting a feasibility study on marketing fertiliser in Australia which is ongoing. When this study is completed, the parties will continue discussions on a possible collaboration in the nature discussed in the term sheet.

There is no certainty regarding the outcome of these transactions.

The Directors, in their consideration of the appropriateness of the going concern basis for the preparation of the financial statements, have prepared a cash flow forecast through to October 2025, which considers the following factors are necessary for the Group to have sufficient cash to continue as a going concern:

- Successful negotiation for a deferred payment plan and/or other form of resolution of amounts outstanding to DL E&C in a manner that permits NeuRizer to continue to pay all other creditors and employees as and when due and meet revised terms with DL E&C
- Cash inflows from equity in a timely and as needed manner to ensure NeuRizer can continue to pay debts as and when they fall due
- Successful completion of one or more strategic transactions that will provide NeuRizer with cash inflows to restabilise the business moving forward.

The Directors acknowledge that a material uncertainty exists in relation to the outstanding liabilities to DL, the timing of strategic transactions, and ongoing cost management. Should the Group be unable to raise equity or debt to provide immediate cash inflows, successfully negotiate outcomes on outstanding amounts due to DL E&C, and complete one or more strategic transactions the Group may be unable to meet its liabilities as they fall due, which would cast significant doubt on its ability to continue as a going concern.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2024. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and can affect those returns through its power over the subsidiary. All subsidiaries have a report date of 30 June. The controlled entities are disclosed in Note 17 to the financial statements. All inter-company balances, transactions and balances between Group companies are eliminated on consolidation.

Changes in accounting policies and disclosures

The financial statements have been prepared under the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2023. The accounting policies included in the Group's previous annual financial statements for the year ended 30 June 2023 are the relevant policies for comparatives. No new standards were adopted as at 1 July 2023 that had a significant impact.

The following new standards and amendments to standards have been issued but are not yet effective for the financial year ended 30 June 2024. The Group has not early adopted these standards in preparing these financial statements:

- AASB 18 Presentation and Disclosure in Financial Statements – This standard is effective for annual reporting periods on or after 1 January 2027 and, upon adoption, will impact several disclosures, including the Statement of Profit or Loss.

Impairment of assets

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication that assets have been impaired. If such an indication exists, the asset's recoverable amount, being the higher of the asset's fair value, less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss. Where the asset does not generate cash inflows that are largely independent of those from other assets, impairment is assessed at a cash-generating unit (CGU) level.

Segment reporting

The Board has considered the requirements of AASB 8 Operating Segments and concluded that there are no separately identifiable operating segments per the accompanying Statements and Notes.

Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of GST unless the GST incurred is not recoverable from the Australian Tax Office. In these circumstances, GST is recognised as part of the cost of acquiring the asset or as part of an expense item.

Receivables and payables in the statement of financial position are shown including GST. The net amount of GST recoverable from the Australian Tax Office is included with other receivables in the statement of financial position. Cash flows are presented in the cash flow statement on a GST-inclusive basis.

Significant management judgement in applying accounting policies

When preparing the financial statements, management makes several judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The areas involving significant estimates and assumptions are listed below:

Exploration and Evaluation Expenditure – Note 8

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future. From that time, the costs will be amortised in proportion to the depletion of the resources. Key judgements are applied when considering costs to be capitalised, which includes determining expenditures directly related to these activities and allocating overheads between expensed and capitalised.

In addition, costs are only capitalised that are expected to be recovered through the successful development or sale of the relevant mining interest. Factors that could impact future commercial production include the level of reserves and resources, future technology changes, which could affect the cost of operations, future legal changes and changes in commodity prices. Additionally, the higher-than-forecast construction costs for Stage 2 of the project received in the latest version of the NRUP feasibility study report (December 2023) could also impact future commercial production. Please see Note 8 for more details.

To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. Exploration and evaluation expenditure incurred is accumulated for each identifiable area of interest. These costs are only carried forward to the extent that the right of tenure is current and those costs are expected to be recouped through the successful development of the area of interest (or by its sale). These costs are also carried forward where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, and evaluation of the area and associated projects to enable the technically and commercially feasible recovery of resources are continuing. When a Final Investment Decision (FID) on a project or area of interest is made the amounts will be transferred to assets under development.

Judgement is required to ensure that the carrying value of Exploration and Evaluation assets does not exceed the recoverable amount. Factors considered in this judgement are:

a) The period for which the entity has the right to explore in the specific area has expired or will expire in the near future.

b) Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
c) Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources, and the entity has decided to discontinue such activities.
d) Sufficient data indicates that, although development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from the successful development or by sale.

In management judgement, given these factors, the balance of Exploration and Evaluation assets is not impaired. Refer to Note 8 for further details.

Share-based payments – Note 12

Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model, including the expected life and volatility, and making assumptions about them. The Group uses a Black-Scholes model or a Monte-Carlo simulation model to measure the fair value of equity-settled transactions at the grant date. The assumptions and models used for estimating fair value or share-based payment transactions are disclosed in Note 12.

2. Other income and expenses

Accounting policy – income and expenses recognition

Other income is recognised on an accrual basis when the right to receive payment is established. Grant income is recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and that they will be received. For grant income relating to Exploration and Evaluation expenditure, upon recognition, grant income is offset against the relevant Exploration and Evaluation asset.

Other expenses represent costs incurred for the administration of the business. Costs relating to the projects outlined in Note 9 have been capitalised to Exploration and Evaluation expenditure).

	2024 $	2023 $
a) Other income		
Sale of PPE – see Note 7	189,248	-
Sale of business – see Note 13	-	983,756
Total other income	**189,248**	**983,756**
b) Other expenses		
Accounting and audit	172,074	236,123
Communications costs	11,336	18,899
Corporate advisory	-	293,691
Software & other	89,121	98,937
Consulting and legal expense	196,611	1,096,710
Share-based payments to consultants and financiers	-	1,585,218
Insurance	441,343	228,504
Investor relations	62,000	181,064
Listing & registry fees	207,741	268,009
Occupancy expense	146,083	188,876
Printing and office supplies	11,632	34,586
Travel and accommodation	181,323	392,728
Other expenses	71,630	480,767
Total other expenses	**1,590,894**	**5,104,112**

3. Finance Income and Finance Costs

Accounting policy – Finance income and finance costs

Finance income includes interest revenue recognised on an accrual basis, taking into account the effective interest rates applicable. Finance costs include effective interest paid and amortised borrowing costs from financing arrangements. Income or expenses incurred in relation to the arrangement are amortised using the effective interest method over the life of the arrangement.

	2024 $	2023 $
a) Finance income		
Interest earned	24,587	7,160
Total finance income	**24,587**	**7,160**
b) Finance costs		
Interest paid on lease liabilities	5,765	5,964
Other Borrowing Costs[1]	1,090,311	1,795,866
Energy Exploration Capital Partners FVTPL – Note 22	1,924,633	1,868,166
Total finance costs	**3,020,709**	**3,669,996**

(1) Included in other borrowing costs is $144,909 (2023: Nil) in respect of interest on the financing of the four Siemens generators (refer note 15(c)) and the remainder primarily related to the accrued interest on amounts owing to Daelim (refer note 21 for further details).

4. Income Tax

Accounting policy – income taxes

Tax expense recognised in the profit or loss comprises current and deferred tax not recognised in other comprehensive income or equity. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the balance sheet liability method.

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This probability is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Tax consolidation

Under Australian taxation law, NeuRizer Ltd and its wholly-owned Australian subsidiaries are a tax-consolidated group.

Numerical reconciliation of income tax expense to prima facie tax payable	2024 $	2023 $
Loss before income tax	(5,603,806)	(16,262,136)
Prima facie tax (benefit) on loss before income tax at 30% (2023: 30%)	(1,681,142)	(4,878,641)
Non-deductible expenses:		
Share-based payments	(11,823)	1,140,886
Fair value adjustments	577,390	548,751
Other non-deductible	2,457	19,695
Disposal of subsidiary	-	246,211
Losses not recognised	1,113,118	2,923,098
Income tax expense	-	-
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised		
Revenue losses	8,827,089	9,518,340
Capital losses	174,776	191,254
Recognised deferred tax assets		
Accruals	1,430,548	531,125
Provisions	282,369	625,832
Other	1,286,304	786,205
Losses	22,070,018	21,192,960
TOTAL	**25,069,239**	**23,136,121**
Recognised deferred tax liabilities		
Exploration	(24,431,448)	(22,991,236)
Other	(637,791)	(144,886)
TOTAL	**(25,069,239)**	**(23,136,121)**

The carried forward tax losses can only be utilised in the future when taxable income is generated, if the continuity of ownership test is passed, or if the same business test is passed.

5. Cash Assets

Accounting policy – Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less but exclude any cash held in deposit. Cash held in deposit is not available for use by the Group and, therefore, is not considered highly liquid.

	2024 $	2023 $
Bank balances	568,722	1,211,663
Term deposits[1]	-	-
Total Current cash and cash equivalents	**568,722**	**1,211,663**

(1) Term deposits comprise cash balances with an original maturity of less than three months.

6. Other Financial Assets

	2024 $	2023 $
Other Financial Assets – Current	-	-
Other Financial Assets – Non-current	613,590	664,806
Total Other Financial Assets	**613,590**	**664,806**

The Group has $595,000 in non-current financial assets held at local banks due to environmental monitoring and rehabilitation requirements under the *Petroleum and Geothermal Act 2000* relating to its NRUP and has recognised a provision for restoration and make good relating to these obligations for $595,000 (FY23: $595,000), as an estimate of costs expected to be incurred. The Group also has $28,590 in non-current financial assets held under its lease contract as lessee to its corporate office in Adelaide. These reserves are not available to finance the Group's day-to-day operations and, therefore, have been excluded from cash and cash equivalents for the statement of cash flows. There was a decrease in long-term bank deposits held during the period of $51,216, relating to the reduction in the deposit required for the new corporate office, compared to the previous.

7. Property, Plant and Equipment

Accounting policy – Property, plant, and equipment

Each class of property, plant and equipment is carried at cost, less accumulated depreciation and impairment losses.

i) Plant and equipment

Plant and equipment are shown at historical cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets.

If assessed that there are triggers for impairment, the carrying amount of plant and equipment is reviewed to ensure it is not more than the recoverable amount from these assets.

ii) Depreciation

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

- Plant and equipment 5-33%
- Office equipment & furniture 10-50%
- Motor vehicles 15%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date. Gains and losses on disposal of property, plant, and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets (including impairment provision). They are recognised in profit or loss with Other Income or Other Expenses.

	Office Furniture $	Office Equipment $	Plant & Equipment $	Motor Vehicles $	TOTAL $
Cost or valuation					
Balance at 1 July 2023	22,425	567,915	3,820,634	230,075	4,641,049
Additions	-	-	-	-	-
Disposals	-	-	(70,012)	(52,320)	(122,332)
Balance at 30 June 2024	**22,425**	**567,915**	**3,750,622**	**177,755**	**4,518,717**
Depreciation & impairment					
Balance at 1 July 2023	22,144	467,475	222,731	82,286	794,636
Depreciation	59	62,250	20,936	22,594	105,839
Disposals	-	-	(17,503)	(35,203)	(52,706)
Balance at 30 June 2024	**22,203**	**529,725**	**226,164**	**69,677**	**847,769**
Carrying amounts					
At 1 July 2023	281	100,400	3,597,903	147,789	3,846,413
At 30 June 2024	**222**	**38,190**	**3,524,458**	**108,078**	**3,670,948**

	Office Furniture $	Office Equipment $	Plant & Equipment $	Motor Vehicles $	TOTAL $
Cost or valuation					
Balance at 1 July 2022	22,425	520,484	3,780,525	230,075	4,553,509
Additions	-	47,431	40,109	-	87,540
Disposals	-	-	-	-	-
Balance at 30 June 2023	**22,425**	**567,915**	**3,820,634**	**230,075**	**4,641,049**
Depreciation & impairment					
Balance at 1 July 2022	21,698	400,106	198,593	63,010	683,407
Depreciation	446	67,369	24,138	19,276	111,229
Disposals	-	-	-	-	-
Balance at 30 June 2023	**22,144**	**467,475**	**222,731**	**82,286**	**794,636**
Carrying amounts					
At 1 July 2022	727	120,378	3,581,932	167,065	3,870,102
At 30 June 2023	**281**	**100,440**	**3,597,903**	**147,789**	**3,846,413**

8. Exploration and Evaluation Expenditure

Accounting policy – Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated with respect to each identifiable area of interest. These costs are only carried forward to the extent that the right of tenure is current, and those costs are expected to be recouped through the successful development of the area of interest (or by its sale). These costs are also carried forward where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, and evaluation of the area and associated projects to enable the technically and commercially feasible recovery of resources are continuing. When a Final Investment Decision (FID) on a project or area of interest is made, the amounts will be transferred to assets under development.

At 30 June 2024, the Group had $124,206,241 (2023: 122,429,070) capitalised in respect of its E&E assets. The Group incurred $1,777,171 (2023: 73,138,957) in capitalised expenditure on the NRUP during the period. The large majority of costs capitalised in the period for the NRUP relate to the refinement of the Bankable Feasibility Study (BFS).

The Group has performed an assessment for indicators of impairment of the E&E assets in accordance with the requirements of AASB 6 and notes that:

- The Group continues to maintain its tenure over the area of interest (AOI); in this case, the Group continues to maintain Petroleum Exploration Licence 650, Petroleum Production Licence 269, Associated Activities Licence 292, Petroleum Retention Licence 247 and Gas Storage Exploration Licence 662. All these licences are related to the NRUP area of interest (AOI).
- The AOI contains a quantified resource of 1,153PJ.
- Notwithstanding the scaling back of expenditure in the short term, there remains significant Stage 1 and Stage 2 expenditure forecast beyond the immediate 12-month forecast period for the advancement of the Group's NRUP to finalise the BFS and proceed to an investment decision. However, expenditure is being minimised in the short term due to the immediate funding constraints disclosed in Note 1.
- The latest version of the NRUP feasibility study report received in December 2023 indicates significantly higher construction costs for Stage 2 of the project than forecast in the prior version. During the period, the Group continued to work with Engineering, Procurement and Construction (EPC) contractor and partner DL E&C on cost optimisation. It has been agreed in principle that the contract for the NRUP will be broken into two parts: an engineering and procurement contract (likely to be awarded to Daelim if a cost agreement is reached and a final investment decision is taken) and a construction and commissioning contract likely to be directly between NRZ and a construction company of NRZ's choosing, following a competitive bidding process. Daelim has agreed to provide NRZ with all material that may assist NRZ with this process, including certified quantities.
- Assuming a formal agreement is reached, NRZ believes that this approach will significantly reduce the project's overall cost than under the cost estimates on which the December 2023 Daelim Report was based.
- NRZ has also received updated cost estimates from an independent Quantity Surveyor (QS) in its final draft report, which indicates a significant reduction in construction costs from the December 2023 cost estimates. Whilst these costs are estimates based on scope of work undertaken, the revised cost estimates obtained will form the basis for the Expression of Interest (EOI) tender process to identify

suitable construction companies. Management and the Board consider the information obtained provides sufficient data on the potential costs of construction and resultant rate of return for the project to proceed with the EOI tender process.

- Daelim and NRZ are yet to reach an agreement on the period to be allowed to obtain competitive pricing for the construction and commissioning of the project. Following the completion of the EOI process, there would be a revised final feasibility study report reflecting the revised project delivery methodology and costing. There is no certainty that a formal agreement reflecting the above matters will be reached, but each party is actively working to that end. As set out in Note 1 and Note 21, NeuRizer and DL E&C are also yet to agree on the deferred payment terms or other arrangement with respect to the amounts owing under the contract with DL E&C to date.
- Work is also proceeding on the preparation of a response with respect to the assessment of Stage 1 of the project under the Environment Protection and Biodiversity Act 1999 (Cth) (EPBC Act) by the Federal Department of Climate Change, Energy, the Environment and Water. The Company has received draft guidelines for an Environmental Impact Statement (EIS) for Stage 1 from the Federal Government and the Company has until 8 November 2024 to provide comments on this draft. 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 and its subsequent assessment, which will impact the project timeline.
- Given the significant ongoing work and the key project decisions that remain under consideration, the Group considers it appropriate to continue carrying forward the carrying value of the NRUP project pending further evaluation and assessment at 30 June 2024.
- In summary, and in specific reference to the impairment indicators of AASB 6:
  - All licences relating to the AOI remain current.
  - Substantive expenditure is planned, notwithstanding the scaling back of short-term spending and the focus on revised cost estimates and environmental approvals.
  - Updated cost estimates from the QS and the Company's latest financial modelling support the position that the project is both feasible and viable.
  - There is insufficient information available at present to conclude that the carrying value of the E&E assets is not recoverable.

In conclusion, no E&E impairment indicators have been triggered under AASB 6 as of 30 June 2024.

The carrying value of the E&E assets at 30 June 2024 are set out below.

	2024 $	2023 $
Balance at opening	**122,429,070**	**50,110,816**
Licence fees	26,063	28,970
Costs capitalised for Joint Operation	-	1,190,728
Derecognition of costs capitalised for Joint Operation upon sale of subsidiary	-	(2,011,431)
Costs capitalised for NRUP	4,800,708	78,639,090
Less R&D tax concession rebates	(3,049,600)	(5,529,103)
Total exploration and evaluation expenditure	**124,206,241**	**122,429,070**

9. Trade and Other Payables

Accounting policy – Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Company before the end of the reporting period that are unpaid and arise when the Company becomes obliged to make future payments regarding the purchase of these goods and services.

Trade and other payables consist of the following, which primarily comprised of amounts in relation to the contract with DL E&C (see Note 21 for more details):

	2024 **$**	**2023** **$**
Trade payables	29,641,697	24,386,985
Other payables	85,973	24,542
Accruals	22,928,832	24,832,648
Total Trade and other payables	**52,656,502**	**49,244,175**

10. Employee Remuneration

EMPLOYEE BENEFITS

Accounting policy – Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the reporting date. These benefits include wages, salaries, annual, and long service leave. Where these benefits are expected to be settled within 12 months of the reporting date, they are measured at the amounts expected to be paid when the liabilities are settled, and the provision has been recognised at the undiscounted amount expected to be paid.

Long service leave payable later than one year has been measured at the present value of the estimated future cash outflows for those benefits, discounted using high-quality corporate bonds. In relation to employee benefits arising for employees directly involved in the exploration project, some of these costs have been capitalised to the project.

EMPLOYEE BENEFITS EXPENSE

	2024 $	2023 $
Wages, salaries (inc. on-costs)	2,124,853	4,907,256
Superannuation	234,013	331,224
Share-based payments[1]	(39,408)	2,217,736
Employee provisions[2]	(1,144,875)	977,342
Total employee benefit expense	**1,174,583**	**8,433,558**

(1) The share-based payment charge for the year includes the impact of truing up the fair value of the third tranche of LTIs issued to KMPs (with an expiry date of 30 June 2025) to the revised fair value at 30 June 2024, given that these awards have not yet been approved by shareholders and consequently grant date has not passed. In the current period, the valuation under accounting standards has decreased to $0, resulting in a net decrease in share-based payment reserve for the period, with the impact reflected within the total share-based payment charge to each individual in the year.

(2) This is to recognise a provision for long service leave and annual leave. Due to the significant reduction in staff and acquittal of entitlements made during the period, there is a significant corresponding decrease in employee provisions.

	2024 $	2023 $
Liability for annual leave – current	585,586	1,450,544
Liability for long service leave – current	185,625	524,961
Liability for long service leave – non-current	170,020	110,601
Total employee benefit liability	**941,231**	**2,086,106**

11. Issued Capital

Accounting policy – Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

ORDINARY SHARES

Ordinary shares participate in dividends and the proceeds on winding up the parent entity in proportion to the number of shares held. At the shareholders' meeting, each ordinary share is entitled to one vote when a poll is called. Otherwise, each shareholder has one vote on a show of hands. All issued shares are fully paid. All unissued shares are ordinary shares of the Company. The issued capital below is net of any capital raising costs.

	2024 $	2023 $
Total issued capital – 1,902,430,650 Ordinary shares (2023: 1,245,920,575)	163,312,969	157,405,054

Additional shares relating to capital raising and other activities listed below were issued during the financial year, as below.

DETAILED TABLE OF CAPITAL ISSUED DURING THE YEAR

Type of share issue	Date of issue	No' of ordinary shares on issue	Issue price $	Share capital $
Opening balance 1 July 2023		**1,245,920,575**		**165,914,262**
Options exercise	7/07/2023	481,006	-	-
Options exercise	21/07/2023	356,902	-	-
Options exercise	4/08/2023	754,249	-	-
Options exercise	15/08/2023	426,786	-	-
Options exercise	22/08/2023	666,547	-	-
Private Share Placement	5/09/2023	20,000,000	0.05	1,000,000
Options exercise	11/09/2023	797,575	-	-
Options exercise	9/10/2023	7,335,591	-	-
Options exercise	1/11/2023	541,667	-	-
Options exercise	8/11/2023	165,000	-	-
Renounceable Rights Issue	24/11/2023	68,653,291	0.025	1,690,912
Energy Exploration Capital Partners	4/12/2023	10,526,316	0.023	242,105
Options exercise	5/12/2023	359,722	-	-
Private Share Placement	7/12/2023	14,285,714	0.07	1,000,000
Options exercise	20/12/2023	8,100	0.03	245
Energy Exploration Capital Partners	4/01/2024	6,666,667	0.017	113,333
Energy Exploration Capital Partners	31/01/2024	31,250,000	0.009	281,250
Options exercise	6/02/2024	4,715,123	-	-
Energy Exploration Capital Partners	19/02/2024	50,000,000	0.006	300,000
Energy Exploration Capital Partners	8/03/2024	37,500,000	0.004	150,000
Energy Exploration Capital Partners	22/04/2024	75,000,000	0.002	337,500
Energy Exploration Capital Partners	30/04/2024	75,500,000	0.004	302,000
Options exercise	30/04/2024	1,268,458	-	-
Prospectus – Nominal shares	9/05/2024	10,000	-	-
Options exercise	9/05/2024	769,127	-	-
Options exercise	23/05/2024	462,234	-	-
Energy Exploration Capital Partners	23/05/2024	248,000,000	0.003	744,000
Prospectus – Nominal shares	27/05/2024	10,000	-	-
Issued capital 30 June 2024		**1,902,430,650**		**171,075,607**

DETAILED TABLE OF CAPITAL ISSUED DURING THE PREVIOUS FINANCIAL YEAR

Type of share issue	Date of issue	No' of ordinary shares on issue	Issue price $	Share capital $
Opening balance 1 July 2022		**954,414,716**		**135,885,014**
Private Share Placement	6/07/2022	97,551,458	0.15	14,645,577
Private Share Placement	31/10/2022	37,917,272	0.10	3,791,727
Options exercise	2/11/2022	840,000	-	-
Brokerage Fee	8/11/2022	514,286	0.14	72,000
Options exercise	9/11/2022	700,000	-	-
Options exercise	21/11/2022	480,000	-	-
Energy Exploration Capital Partners	21/11/2022	5,154,640	0.11	567,010
Options exercise	30/11/2022	775,000	-	-
Energy Exploration Capital Partners	1/12/2022	8,163,266	0.12	979,592
Options exercise	12/12/2022	50,000	-	-
Energy Exploration Capital Partners	5/01/2023	5,813,954	0.10	581,395
Options exercise	16/01/2023	10,000	-	-
Options exercise	24/01/2023	100,000	-	-
Energy Exploration Capital Partners	3/02/2023	8,433,735	0.09	716,867
Options exercise	10/02/2023	360,000	-	-
Options exercise	20/02/2023	250,000	-	-
Options exercise	7/03/2023	50,000	-	-
Energy Exploration Capital Partners	9/03/2023	7,462,687	0.08	597,015
Private Share Placement	17/03/2023	17,437,500	0.08	1,345,000
Energy Exploration Capital Partners	30/03/2023	7,936,508	0.09	746,031
Options exercise	6/04/2023	293,662	-	-
Options exercise	13/04/2023	482,502	-	-
Energy Exploration Capital Partners	21/04/2023	7,936,508	0.08	619,048
Options exercise	28/04/2023	16,247,556	-	-
Options exercise	8/05/2023	1,307,263	-	-
Options exercise	17/05/2023	901,340	-	-
Energy Exploration Capital Partners	23/05/2023	9,090,910	0.06	563,638
Options exercise	30/05/2023	108,974	-	-
Energy Exploration Capital Partners	6/06/2023	54,347,827	0.07	3,804,348
Options exercise	20/06/2023	141,875	-	-
Options exercise	30/06/2023	647,136	-	-
Issued capital 30 June 2023		**1,245,920,575**		**165,914,262**

UNLISTED OPTIONS

At 30 June 2024, unissued shares of the Group under unlisted option are:

Expiry date	Exercise price	Number of shares on exercise
15-Jan-2025	$0.23	800,000
29-May-2028	$0.00	686,956
2-Dec-2025	$0.00	702,128
14-April-2025	$0.00	799,165
18-August-2024	$0.12	5,300,000
1-May-2025	$0.20-$0.26	6,000,000
1-December-2025	$0.15	9,479,318
14-February-2028	$0.00	7,052,695
16-February-2026	$0.221	2,000,000
6-March-2026	$0.12	4,359,375
17-August-2026	$0.00	30,000
25-July-2027	$0.00	405,000
Total		**37,614,637**

Options granted under the Employee Share Option Plan will expire on the expiry date or at the cessation of employment. Other categories of holders who may be granted options are consultants of the company or financiers, whose options will not be subject to employment conditions but will be granted subject to the provision of services.

LISTED OPTIONS

There were 108,775,478 listed options over shares of the Group at the end of the financial year, with an expiry date of 8 October 2024 and an exercise price of $0.28, and 85,806,472 listed options with an expiry date of 24 November 2025 and an exercise price of $0.07.

CAPITAL MANAGEMENT

Management objectives when managing capital are to ensure the Group's ability to continue as a going concern. The Group manages the capital structure and adjusts it to consider the forecast cash requirements of the development programme. Capital-raising activities complement internal capital rationing to ensure funding for development activities is in place. The Directors know that additional debt or equity will be required within 12 months to continue as a going concern. The Group’s ability to raise equity will rely on investor confidence in developing the NeuRizer Urea Project (see note 1).

There are no externally imposed capital requirements.

12. Reserves

ACCOUNTING POLICY - RESERVES

The share option reserve is used to recognise the fair value of options granted to employees, consultants and financiers but not exercised. Upon exercise of the options, the proceeds are allocated to share capital.

Share Option Reserve movements for the Year Ended 30 June 2024:

Details	**2024 $**
Opening Balance 1 July 2023	**16,574,201**
Share options granted during the year	816,068
Share options amortised over the vesting period (from prior grants – LTIs)	1,236,041
Share option forfeitures	-
Fair value adjustment for LTIs expensed but not yet granted	(2,091,517)
Closing Balance 30 June 2024	**16,534,793**

A breakdown of the share option reserve is as follows:

	No. of Options 2024	**2024 $**
Directors	10,464,461	6,194,848
Employees	7,301,483	4,147,696
Former employees	10,000	480,303
Other consultants and financiers	19,838,693	5,711,946
Total		**16,534,793**

SHARE-BASED PAYMENTS

Accounting policy – Share-based payment plans

The Group operates equity-settled share-based remuneration plans for its employees and some consultants. The Group's plans are not cash-settled to minimise cash outflow. All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees or consultants are rewarded using share-based payments, the fair value is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets and performance conditions). All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other conditions apply, the expense is allocated over the vesting period based on the best available estimate of the number of share options expected to vest.

Non-market conditions are included in assumptions about the number of options expected to vest. Estimates are revised if any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Grant date might occur after the employees or consultants to whom the equity instruments were granted have begun rendering services, such as grants of equity instruments to key management personnel, subject to shareholder approval. The company estimates the grant date fair value of the equity instruments (e.g., by estimating the fair value at the end of the reporting period) to recognise the services received between the service commencement date and the grant date. Once the grant date has been established, the company revises the earlier estimate so that the amounts recognised for services received regarding the grant are ultimately based on the grant date fair value of the equity instruments, or in the case where the grant date is not yet established, the fair value at the reporting date.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital. For all plans, the fair value at the grant date is calculated using the Black Scholes option pricing model that considers the share price at the grant date, the exercise price, the term until expiry, and an implied volatility estimate.

Long-Term Incentives (LTIs) were granted to each of the Executive Chairman and Managing Director during the 2022 financial year. The LTIs granted have progressive service periods, as detailed in the table below, with the share-based payment expense being amortised according to the vesting date. The Fair Value of the LTIs was determined using a Monte Carlo valuation using the inputs set out in the table below, with the 30 June 2025 vesting LTIs valued at $0 (2023: $1,484,950), resulting in a net ($965,287) reversal of LTI expenses. The amount expensed is not indicative of the benefit (if any) that the employee may ultimately realise should the LTIs be awarded, as the actual award of options is subject to achieving the share price targets as below.

Period	**Vesting date**	**Award/Grant date**	**Number of Options (zero exercise price)**	**Share price target based on 30 trading day VWAP as at 30 June of the year**	**Maximum number to be awarded to each if the share price hits the targets for the period**	**Fair Value per option at the grant date**
FY24	30 June 2024[1]	30 June 2021/ 4 November 2021	2 million	$0.65	15 million	11.3 cents
			2.5 million	$0.80		
			3 million	$0.95		
			3.5 million	$1.10		
			4 million	$1.25		
FY25	30 June 2025	Award date 30 June 2021/ Grant Date N/A - not granted, pending shareholder approval	3 million	$0.95	36 million (less any issued in the previous year relating to equivalent targets)	0 cents (2023: 5.8 cents, initial valuation: 14 cents)
			3.5 million	$1.10		
			4 million	$1.25		
			4.5 million	$1.55		
			5 million	$1.70		
			7 million	$1.85		
			9 million	$2.15		

(1) These options lapsed and did not vest at 30 June 2024 as the associated share price targets were not achieved.

(2) As per the Notice of AGM for the 2021 meeting, it is the intention of the Board to award up to an additional 36,000,000 options each to DJ Peters and PJ Staveley that will vest on 30 June 2025 if the award criteria are met. While these awards have been approved by the Board, they have not yet been approved by the shareholders on the basis that the 2021 AGM was more than three years from the final rating period. These awards will be subject to shareholder approval at a future AGM. As the awards have been approved by the Board, the requirements of the share-based payment accounting standard apply. They have been fair valued, and the share-based payment charge amortised in line with accounting standards and included within the KMP remuneration table on page 58. As the grant date has not yet passed, the options are remeasured at their current fair value at 30 June 2024, and the amortisation charge for the year is reflected in the remuneration table. At 30 June 2024, these options were valued at $0.

(i) Number of options granted during the year

	2024	Weighted-average exercise price 2024
Outstanding at the beginning of the year	**159,327,428**	**$0.24**
Forfeited	(1,860,000)	$0.19
Expired	(15,000,000)	$0.23
Granted	108,837,246	$0.06
Exercised	(19,108,087)	$0.00
Outstanding	**232,196,587**	**$0.17**

	2023	Weighted-average exercise price 2023
Outstanding at the beginning of the year	**167,585,433**	**$0.26**
Forfeited	(650,000)	$0.12
Expired	(27,533,662)	$0.22
Granted	43,670,965	$0.25
Exercised	(23,745,308)	$0.00
Outstanding	**159,327,428**	**$0.24**

Set out below are the details for each option issuance for the financial year ending 30 June 2024. Details of the options issued in 2023 are included in the 2023 financial report. Plans 1 to 5 relate to awards issued to employees in lieu of salary. Plan 6 is in respect of awards issued to NEDs in lieu of director fees.

(ii) Valuation assumptions

	Plan 1	Plan 2	Plan 3
Grant date	19 July 2023	17 August 2023	3 October 2023
Number issued	1,423,101	1,707,721	1,895,337
Share price at the grant date	$0.058	$0.047	$0.038
Fair value at the grant date	$0.058	$0.047	$0.038
Exercise price	$0.00	$0.00	$0.00
Exercisable from	3 September 2023	2 October 2023	18 November 2023
Exercisable to	29 May 2028	29 May 2028	29 May 2028
	Plan 4	**Plan 5**	**Plan 6**
Grant date	20 November 2023	1 December 2023	10 November 2023
Number issued	1,946,244	2,585,050	6,963,168
Share price at the grant date	$0.026	$0.023	$0.027
Fair value at the grant date	$0.026	$0.023	$0.027
Exercise price	$0.00	$0.00	$0.00
Exercisable from	5 January 2024	18 January 2024	14 February 2024
Exercisable to	29 May 2028	29 May 2028	14 February 2028

13. Sale of Subsidiary

In April 2023, the Company completed its obligations under a Share Sale Agreement for the sale of 100% of the shares of its Wholly Owned Subsidiary, Leigh Creek Oil & Gas Pty Ltd (LCOG). The sale was executed, and ownership was transferred to the buyer. The net consideration received by the Company for the sale was $2,995,187, and a net income on sale of $983,756.

14. Commitments for Expenditure

ACCOUNTING POLICY – CAPITAL COMMITMENTS

Capital commitments relate to expenditure commitments for the NeuRizer Urea Project (NRUP) and other Oil & Gas assets:

	2024 $	2023 $
NeuRizer Urea Project - not longer than one year	-	96,000

Under tenement registration and renewal terms, tenements have commitments to work requirements. The commitment to work requirements at Leigh Creek is included above. Additionally, refer to Note 21 for information on the Group's obligations and commitments under its EPCC contract with DL E&C. There are no other commitments at the balance date for expenditure by the Group.

15. Financial Instruments

Accounting Policy – Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price per AASB 15, financial assets are initially measured at fair value, plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables presented within other expenses.

Classifications are determined by both:

- The entity's business model for managing the financial asset

- The contractual cash flow characteristics of the financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents and other receivables fall into this category of financial instruments.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, changes in an instrument's fair value reported in profit or loss are included within finance costs or finance income.

As the company's shares are traded on an active market, the ASX, the fair value of equity-settled financial liabilities is calculated at the closing share price at the valuation date, with movements designated at FVTPL.

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount of financial assets and liabilities at amortised cost are as follows:

Financial assets	Notes	Financial assets at amortised cost 2024	Financial assets at amortised cost 2023
Other financial assets	6	613,590	664,806
Trade and other receivables		-	19,720
Cash and cash equivalents	5	568,722	1,211,663
		1,182,312	**1,896,189**
Financial liabilities	**Notes**	**Other liabilities (amortised cost) 2024**	**Other liabilities (amortised cost) 2023**
Current borrowings		1,000,000	2,196,185
Non-current borrowings		885,637	-
Trade and other payables		29,641,697	24,411,527
		31,527,334	**26,607,712**

The carrying amount of financial liabilities at fair value through profit or loss are as follows:

Financial liabilities	Notes	Other liabilities (FVTPL) 2024	Other liabilities (FVTPL) 2023
Other Financial Liability – Current	22	-	545,555
		-	**545,555**

RISK MANAGEMENT

Treasury Risk Management

The risk management of treasury functions is managed by the Audit Committee and the Risk Committee.

Finance Risks

The Group's financial instruments are exposed to various financial risks, such as Market risk (Interest rate and Equity Price risk), Credit risk and Liquidity risk.

Equity price risk

The Group's exposure to price risk is the risk that equity-settled financial liabilities (see note 22) value will fluctuate because of changes in the Company's share price.

Sensitivity: At June 30, 2024, if the Company's share price had changed by -/+ 10% from the year-end price with all other variables held constant, post-tax loss and total equity would have been $0 (2023: $54,555) more/less because of lower/higher movements through FVTPL.

Interest rate risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate because of changes in market interest rates on classes of financial assets and liabilities.

Sensitivity: At June 30 2024, if interest rates on cash and term deposits had changed by -/+ 10 basis points from the year-end rates with all other variables held constant post-tax loss, and total equity would have been $6,235 (2023: $33) more/less because of lower/higher interest income.

At June 30, 2024, the Group did not have interest-sensitive borrowings as in the prior year.

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligation that could lead to a financial loss to the Group. The Group manages its credit risk by depositing with reputable licenced banks and transacting with reputable business partners. The Group's maximum exposure to credit risk is its cash and cash equivalents, receivables, deposits and guarantees, and payments for services not yet performed. Our financial assets are held with counterparties with an investment-grade credit rating.

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages liquidity risk by monitoring forecast cash flows and ensuring adequate funding sources are available.

Maturity: $30,641,697 of the Group's financial liabilities are expected to fall due between three months and one year (2023: $27,728,784) and $885,637 beyond one year (2023: $135,386). Of this amount, $29,641,697 relates to trade and other payables. As set out in note 21, additional interest will accrue at the rate of the Secured Overnight Financing Rate (SOFR) plus 3% from 1 February 2024 to the payment date in respect of amounts owing to DL E&C (2023: nil). In addition, the Group has $22,928,832 in accruals (see note 9), which are expected to fall due between three months and one year, primarily relating to the EPCC contract with Daelim (see note 21).

16. Notes to the Statement of Cash Flows

(A) RECONCILIATION OF CASH

For the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the financial year, as shown in the statement of cash flows, is reconciled to the related items in the statement of financial position as follows:

	2024 $	2023 $
Bank balances and short-term deposits	568,722	1,211,663

The weighted average effective interest rate on bank balances and short-term deposits is 0.00% (2023: 0.00%). All deposits are for less than 12 months.

(B) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER TAX

	2024 $	2023 $
Loss after income tax	(5,603,806)	(16,262,136)
Cash flows excluded from loss attributable to operating activities:		
Non-cash flows in operating loss		
Depreciation expense	24,332	45,387
Share-based payments	(39,408)	3,802,954
Borrowing Cost	1,964,244	3,346,280
Other expenses	91,318	(602,636)
Change in assets and liabilities		
Decrease/(Increase) in receivables/prepayments	817,049	375,451
Increase/(Decrease) in payables	330,795	(730,872)
Increase/(Decrease) in provisions	(1,144,875)	977,342
Net cash (used in) / provided by operating activities	**(3,560,351)**	**(9,048,230)**

(C) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Cash/non-cash	Total loans and borrowings[1] $	Total lease obligations $
Opening balance 1 July 2023		**2,196,185**	**246,459**
Cash inflows	Cash	2,000,000	-
Cash (outflows)	Cash	(2,359,272)	91,690
Lease Liability Interest	Non-cash	48,724	67,211
Closing balance 30 June 2024		**1,885,637**	**221,980**
	Cash/non-cash	**Total loans and borrowings $**	**Total lease obligations $**
Opening balance 1 July 2022		**76,704**	**245,064**
Net cash inflows/(outflows)	Cash	2,119,481	9,298
Lease Liability Interest	Non-cash	-	(7,903)
Closing balance 30 June 2023		**2,196,185**	**246,459**

(1) On 2 April 2024, the Company entered into a sale and leaseback agreement for its four Siemens generators to assist the Company in managing liquidity. The Company received $2,000,000 excluding GST at the date of sale, with a 24-month leaseback period consisting of monthly payments to a total value of $2,000,000 over that period and will repurchase the generators for $900,000 excluding GST at the end of that period.
Under AASB 15, this arrangement did not result in the transfer of control of the assets to the buyer because the terms of the agreement allow the Company to retain significant control over the generators through the repurchase option and ongoing use of the assets during the leaseback period. As such, the sale was not recognized, and instead, the $2,000,000 received was accounted for as a loan. The Company recognized a loan of $2,000,000 at the inception of the agreement, which will be repaid through the monthly payments of $83,333. The effective interest rate is 29.49%. At 30 June 2024, the loan value was $1,885,637, reflecting the payments made up to that date of principal amounts of $105,090, as well as accrued interest payments of $144,909.

17. Parent Entity Disclosures

INVESTMENT IN CONSOLIDATED ENTITIES

Entity	Country of incorporation	Class of share	Interest Held	
			2024	2023
Leigh Creek Consulting Pty Ltd	Australia	Ordinary	100%	100%
Leigh Creek Fertiliser Pty Ltd	Australia	Ordinary	100%	100%
Leigh Creek Operations Pty Ltd	Australia	Ordinary	100%	100%
Leigh Creek Power Pty Ltd	Australia	Ordinary	100%	100%
Leigh Creek Financial Pte Ltd	Singapore	Ordinary	100%	100%

PARENT ENTITY INFORMATION

	2024 $	2023 $
Parent Entity		
Asset		
Current assets	440,186	1,495,331
Non-current assets	77,849,307	78,575,923
Total assets	**78,289,493**	**80,071,254**
Liabilities		
Current liabilities	5,730,124	7,813,053
Non-current liabilities	289,777	245,988
Total liabilities	**6,019,902**	**8,059,041**
Equity		
Issued capital	161,702,728	155,795,813
Share option reserve	16,534,793	16,574,201
Accumulated losses	(105,968,929)	(101,225,445)
Shareholder equity	**72,269,591**	**71,144,569**
Financial performance		
Profit (loss) for the year	(5,611,129)	(16,262,136)
Other comprehensive income	-	-
Total comprehensive income	**(5,611,129)**	**(16,262,136)**

The parent entity has not entered a deed of cross guarantee, nor are there any contingent liabilities at the year-end.

ACCOUNTING POLICY – CAPITAL COMMITMENTS FOR PARENT

Capital commitments relate to expenditure commitments for the NeuRizer Urea Project (NRUP), which are outstanding on the balance date.

	2024 $	2023 $
Leigh Creek Operations Pty Ltd	-	96,000

18. Related Party Transactions

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group are the members of the Group's Board of Directors. Key management personnel remuneration includes the following expenses:

	2024 $	2023 $
Total short-term employee benefits	1,332,340	2,231,009
Total long-term employee benefits	(78,293)	413,281
Share-based payments	(65,965)	1,084,473
Total Remuneration	**1,188,083**	**3,728,763**

The amounts disclosed in the table are recognised as expenses during the reporting year. Detailed disclosure is included within the remuneration report.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Zheng Xiaojiang provided investor relations services for $10,370 (2023: $153,333). There was no amount due for payment at the end of the reporting period. Mr Xiaojiang is a Non-Executive Director of the Company.

19. Auditors Remuneration

During the year, the following fees were paid or payable for services provided by the Auditor of the Group:

Fees to Auditors	2024 $	2023 $
Auditing and reviewing the financial statements of the Group	120,246	99,567
Total auditors' remuneration	**120,246**	**99,567**

During the year, Ernst & Young, the Company's auditors, did not undertake any additional services to their statutory audit duties.

20. Earnings Per Share

Accounting policy – Earnings per Share

i) *Basic earnings per share*
Basic earnings per share are calculated by dividing the profit (loss) attributable to equity holders, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding.

ii) *Diluted earnings per share*
The Diluted earnings-per-share calculation adjusts the figures used to determine basic earnings per share to consider the weighted average number of shares assuming conversion of all dilutive potential ordinary shares.

The basic earnings per share calculation at 30 June 2024 was based on the loss attributable to ordinary equity holders of $5,603,806 (2023: $16,262,136) and a weighted average number of ordinary shares outstanding during the 12 months of 1,427,004,912 (2023: 1,032,320,308).

The diluted loss per share calculation at 30 June 2024 is the same as the basic diluted loss per share. Per AASB 133, Earnings per share, as potential ordinary shares, may result in a situation where their conversion decreases the loss per share. No dilutive effect has been considered as there were no dilutive potential ordinary shares during the year (2023: none) as the Company's share options were anti-dilutive.

	2024 $	2023 $
Loss used to calculate basic EPS.	(5,603,806)	(7,122,376)
	Cents	***Cents***
Basic earnings per share – cents per share	(0.39)	(1.58)
Diluted earnings per share – cents per share	(0.39)	(1.58)
Weighted average number of shares used as denominator		
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted EPS	1,427,004,912	1,032,320,308

21. Stage 2 Contract with DL E&C Co., Ltd

In June 2021, the Company entered an Engineering, Procurement, Construction and Commissioning (EPCC) contract for a 1Mtpa urea production plant with South Korean engineering and construction company DL E&C Co., Ltd (DL E&C). Under this contract, DL is managing the NRUP Bankable Feasibility Study (BFS) with NexantECA and Front-End Engineering & Design (FEED) stages ahead of a Final Investment Decision (FID). In February 2024, it was agreed in principle that the contract for the NRUP would be broken into two parts, being an engineering and procurement contract (likely to be awarded to DL E&C if a cost agreement is reached and a final investment decision is taken) and a construction and commissioning contract likely to be directly between NRZ and a construction company of NRZ's choosing, following a competitive bidding process. DL E&C has agreed to provide NRZ with all material that may assist NRZ with this process, including certified quantities. Assuming a formal agreement is reached, NRZ believes this approach will significantly reduce the project's overall cost than under the cost estimates on which the December 2023 DL Report was based. See Note 8 for the Company's assessment of impairment and carrying value of its Exploration & Evaluation assets at June 2024.

Initial services provided under the contract require total payments of USD 29,265,000/AUD 44,180,254 to DL, payable in four milestones, as follows:

1) 30% of the Services Fee, payable after the Company issued a Notice to Proceed on 2 August 2021, paid as at 30 June 2024.
2) 30% of the Services Fee to be invoiced on or after the first date on which the process design packages for both the ammonia (including sulphur recovery) plant and the urea plant comprised in the Works have been delivered to DL by the relevant Licensor. This amount is outstanding as at 30 June 2024 and recorded within Trade Creditors.
3) 15% of the Services Fee to be invoiced on or after the date Services Completion occurs, outstanding as at 30 June 2024, and recorded within Trade Creditors.
4) 25% of the Services Fee to be invoiced on or after the date that the Company's board of directors makes an FID on the NRUP, uninvoiced as at 30 June 2024, and recorded within Accruals.

The full value of initial services has now been provided. However, as an FID has not yet been made, milestone four has not been met, and the amount has not yet been invoiced but recorded within accruals. The total amount not yet paid but owing for the Initial Services is USD 20,485,500/AUD 30,926,178.

In April 2022, the Company approved the appointment of ammonia and urea licensors for the NRUP. KBR delivered the Basic Engineering Design Package (BEDP) and Final Piping and Instrumentation Design for the NRUP. Under the contract with DL, following the appointment of the licensors, an additional USD 15,001,280/AUD 22,646,860 was payable, of which USD 6,214,880/AUD 9,382,367 was outstanding, invoiced and recorded in trade creditors as at 30 June 2024, as follows:

1) 30% after the execution of the licensor contract, paid as at 30 June 2024.
2) 30% on delivery of the Process Flow Diagrams, for which the majority has been paid as at 30 June 2024, and the balance of USD 214,368/AUD 323,623 recorded within Trade Creditors.
3) 20% on delivery of the Piping and Instrument Diagram, outstanding as at 30 June 2024, and recorded within Trade Creditors.
4) 10% on delivery of the Draft BEDP, outstanding as at 30 June 2024, and recorded within Trade Creditors.
5) 10% on delivery of the Final BEDP, outstanding as at 30 June 2024, and recorded within Trade Creditors.

In addition to the above amounts owed in respect to Initial Services and other packages, the Company has also agreed to Interest charges of approximately USD 1,521,679/AUD 2,297,221, recorded in Accruals. The Company will continue to accrue interest charges at the Secured Overnight Financing Rate +3% (annual) from February 2024. Additionally, there are Extension of Time amounts uninvoiced but accrued of USD 6,122,705/AUD 9,243,214.

22. Energy Exploration Capital Partners

December 2021 EECP Agreement

In December 2021, the Company entered into an Institutional Share Placement agreement with EECP. This financing agreement consists of payments of up to $20m in four tranches. A total of $15m has been drawn under the agreement between December 2021 and September 2022, with the fourth tranche undrawn.

A summary of the shares issued in settlement of outstanding subscription amounts (SAs) during the period is as follows:

Date of issue	Number of shares issued	Placement Price[1]	Other Financial Liability	Fair Value[2]
4 December 2023	10,526,316	200,000	200,000	242,105
4 January 2024	6,666,667	100,000	100,000	113,333
31 January 2024	31,250,000	250,000	191,000	281,250
19 February 2024	50,000,000	250,000	-	300,000
8 March 2024	37,500,000	150,000	-	150,000
22 April 2024	75,000,000	150,000	-	337,500
30 April 2024	75,500,000	151,000	-	302,000
23 May 2024	248,000,000	248,000	-	744,000
Financial year ended 30 June 2024	**534,442,983**	**1,499,000**	**491,000**	**2,470,188**

(1) The Placement Price of these shares was determined as 90% of the average of five daily VWAPs per share (selected by EECP) during the 20 trading days before receipt of a Settlement Notice.

(2) The difference between the balance of Other Financial Liability of $491,000 and the Fair Value of $2,470,189 is recognised within finance costs in the statement of profit or loss and other comprehensive income.

	Funds received $	Expense/FVTPL $	Other Financial Liability movement $	Other Financial Liability balance $
Opening balance 1 July 2023				**(1,545,556)**
Issue of shares EECP – 4 December 2023	-	42,105	200,000	(1,345,556)
Issue of shares Zhe Wang – 7 December 2023	-	-	1,000,000	(345,556)
Adjustment to FV at 31 December 2023	-	(22,222)	22,222	(323,334)
Issue of shares EECP - 4 January 2024	-	13,333	100,000	(223,334)
Issue of shares EECP - 31 January 2024	-	90,250	191,000	(32,334)
Issue of shares EECP - 19 February 2024	-	300,000	-	(32,334)
Issue of shares EECP - 8 March 2024	-	150,000	-	(32,334)
Issue of shares EECP - 22 April 2024	-	337,500	-	(32,334)
Issue of shares EECP - 30 April 2024	-	302,000	-	(32,334)
Issue of shares EECP - 23 May 2024	-	744,000	-	(32,334)
Adjustment to FV at 30 June 2024	-	(32,334)	32,334	-
Financial year ended 30 June 2024	**-**	**1,924,633**	**1,545,556**	**-**

23. Matters Subsequent to the End of the Year

On the 5th of August 2024, the Company completed a private placement of shares, raising approximately $1,600,000 before costs.

24. Company Details

The registered office and principal place of business is:

NeuRizer Ltd
Level 5, 19 Grenfell Street
Adelaide, South Australia 5000

Consolidated Entity Disclosure Statement

The following table provides a list of entities included in the Group's consolidated financial statements, prepared in accordance with the requirements of section 295(3A) of the Corporations Act.

Entity	Type of Entity	Country of Incorporation	Country of tax residency[1]	% of share capital as at 30 June 2024
NeuRizer Ltd	Body corporate	Australia	Australia	-
Leigh Creek Consulting Pty Ltd	Body corporate	Australia	Australia	100%
Leigh Creek Fertiliser Pty Ltd	Body corporate	Australia	Australia	100%
Leigh Creek Operations Pty Ltd	Body corporate	Australia	Australia	100%
Leigh Creek Power Pty Ltd	Body corporate	Australia	Australia	100%
Leigh Creek Financial Pte Ltd	Body corporate	Singapore	Singapore	100%

(1) Tax residency is determined with reference to the Income Tax Assessment Act 1997.

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Independent auditor's report to the members of NeuRizer Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of NeuRizer Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Carrying value of exploration & evaluation assets

Why significant	How our audit addressed the key audit matter
At 30 June 2024 the Group had exploration and evaluation assets of $124.2 million as disclosed in Note 8. The carrying value of exploration and evaluation assets is subjective based on the Group's ability and intention to continue to evaluate and commercialise its assets associated with the NeuRizer Urea Project (NRUP). The carrying value of assets may also be impacted by the results of ongoing evaluation activity indicating that the coal and gas resources may not be technically or commercially viable for extraction and/or the NRUP may not be capable of commercialisation in the manner intended. The Group has to assess the value of work performed and capitalisable as exploration and evaluation assets under the significant contracts in place for the ongoing evaluation of the technical and commercial viability of the NRUP. There is judgment involved in accounting for these contracts. The Group is required to assess whether any indicators of impairment are present in accordance with the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*, the application of which is judgmental. At 30 June 2024, the Group undertook an impairment indicators assessment in respect of its NRUP assets in accordance with AASB 6 and no impairment charge was recorded. As a result of the judgement involved in the assessment of indicators of impairment, we considered the value of exploration and evaluation assets and related disclosures in Note 8 to the financial report to be a key audit matter.	In completing our audit procedures, we: ▶ Assessed whether any impairment indicators, as set out in AASB 6, were present, and assessed the conclusions with respect to impairment reached by management. ▶ Evaluated the Group's right to explore in the relevant exploration areas, including by inspecting supporting documentation such as license agreements. ▶ Evaluated the results of exploration and evaluation activities carried out in the relevant license areas to date. ▶ Assessed the Group's intention to carry out significant exploration and evaluation activities on the NRUP and other exploration areas. This included the assessment of the Group's cash flow forecasts and assessing the Group's plan to continue towards a Bankable Feasibility Study for the NeuRizer Urea Project. ▶ Assessed the accounting treatment related to costs incurred to date, agreeing costs incurred, payments made, and associated calculations to third party supporting documentation. ▶ Assessed the nature of the costs incurred are valid costs for capitalisation as exploration and evaluation costs. ▶ Considered whether any other data or information exists which indicates that the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full, from successful development or by sale. ▶ Assessed the adequacy and appropriateness of the disclosures included in Note 8 to the financial statements.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 21 to 28 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of NeuRizer Ltd for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Building a better working world

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

L A Carr
Partner
Adelaide
25 October 2024

CORPORATE DIRECTORY

Directors

Daniel J Peters
Executive Chairman

Zhe Wang
Non-Executive Director

Zheng Xiaojiang
Non-Executive Director

Manyoo Han
Non-Executive Director

Jordan Mehrtens
Non-Executive Director
Company Secretary

Registered Office & Principal Place of Business
Level 5, 19 Grenfell Street
Adelaide, South Australia 5000

Bankers
Commonwealth Bank of Australia
96 King William Street
Adelaide, South Australia 5000

Auditors
Ernst & Young
12 King William Street
Adelaide, South Australia 5000

Share Registrar
Computershare Registry Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide, South Australia 5000

Investor enquiries: 1300 556 161
International: +61 3 9415 4000

ASX Code
NRZ

NeuRizer Ltd
ABN 31 107 531 822
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contactus@neurizer.com.au
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SHAREHOLDER INFORMATION

Distribution of shareholdings at 23 October 2024

Number of security holders by size of holding

Range	**Total holders**	**Units**	**% Units**
1 - 1,000	455	185,554	0.01
1,001 - 5,000	1,356	4,438,437	0.20
5,001 - 10,000	1,323	10,201,951	0.47
10,001 – 50,000	2,507	64,182,003	2.94
50,001 – 100,000	844	64,453,515	2.96
100,001 – 250,000	823	135,011,331	6.19
250,001 Over	994	1,902,646,548	87.23
Total	**8,302**	**2,181,119,339**	**100.00**

The issued capital of the Company is fully paid ordinary shares (entitling the holders to participate in dividends and proceeds on winding up of the Company in proportion to the number of shares held) and listed options. On a show of hands, every holder of the shares present at a meeting in person or by proxy is entitled to one vote and upon a poll, each share counts as one vote.

Substantial shareholders at 23 October 2024

Name		Fully Paid Shares	Ordinary Shares %	Options
Citicorp Nominees Pty Ltd	144,777,186	6.64	-	-
China New Energy Group Limited	137,653,334	6.31	-	-

Twenty largest shareholders at 23 October 2024

Ordinary Shares

Rank	Name	Units	% Units
1	Citicorp Nominees Pty Ltd	144,777,186	6.64
2	China New Energy Group Limited	137,753,334	6.31
3	Mr Xinyuan Huang	69,193,669	3.17
4	Super 6 Investment Pty Ltd <NO 6 Investment S/F A/C>	42,462,023	1.95
5	Hephzibah Pty Ltd <Butt Family Super A/C>	33,725,501	1.55
6	Mr Jiawei Feng	30,840,602	1.41
7	Finclear Services Pty Ltd <Superhero Securities A/C>	28,623,310	1.31
8	Hephzibah Pty Ltd <The Butt Family A/C>	27,218,810	1.25
9	Burton’s Holdings (NSW) Pty Ltd <PMN Investments SF A/C>	23,263,158	1.07
10	KCL Super Pty Ltd <Muster Super Fund 2 A/C>	21,044,785	0.96
11	Mr Cheyne Michael Dunford	20,000,000	0.92
11	Mrs Jennifer Anne Hurley + Mr Justin John Hurley <No 2 A/C>	20,000,000	0.92
11	Rosemount Property Developments Pty Ltd	20,000,000	0.92
14	Mr Troy Kelly Webb	17,400,000	0.80
15	CNSC1001 Pty Ltd <NSC1001 Family A/C>	15,683,346	0.72
16	LRM Holding Company Pty Ltd	15,000,000	0.69
17	Mr Benjamin Keith Green	14,641,805	0.67
18	Lehav Pty Ltd <The VHL Family A/C>	14,292,568	0.66
19	Zhe Wang	14,285,714	0.65
20	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	14,135,618	0.65
	Totals: Top 20 Holders Of Ordinary Shares (Total)	**724,241,429**	**33.21**
	Total Remaining Holders' Balance	**1,456,877,910**	**66.79**

Unissued equity securities at 23 October 2024

Unlisted Options	52,039,408
Listed Options (NRZO)	85,806,472

The Company is listed on the Australian Securities Exchange.

ASX Code: NRZ