

Hazer Group Limited
Appendix 4D
Half-year report

1. Company details

Name of entity: Hazer Group Limited
ABN: 40 144 044 600
Reporting period: For the half-year ended 31 December 2020
Previous period: For the half-year ended 31 December 2019

2. Results for announcement to the market

				\$
Revenues from ordinary activities	up	6221%	to	1,174,821
Loss for the period	down	21%	to	1,842,655
Loss to the owners of Hazer Group Limited	down	21%	to	1,842,655

Dividends

No dividends were paid in the period.

Comments

The loss for the company amounted to \$1,842,655 (31 December 2019: \$2,329,436).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>13.42</u>	<u>8.08</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

8. Attachments

Details of attachments (if any):

The Interim Report of Hazer Group Limited for the half-year ended 31 December 2020 is attached.

9. Signed

Signed  _____

Geoff Ward
Managing Director

Date: 26 February 2021

Hazer Group Limited

ABN 40 144 044 600

Interim Report - 31 December 2020

Hazer Group Limited
Directors' report
31 December 2020

The directors present their report, together with the financial statements, of Hazer Group Limited (referred to hereafter as the 'company') at the end of, or during, the half-year ended 31 December 2020.

Directors

The following persons were directors of Hazer Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Tim Goldsmith
Geoff Ward
Danielle Lee
Andrew Harris

Principal activities

During the financial half-year, the principal continuing activities of the company consisted of research and development of novel graphite and hydrogen production technology.

The company has intellectual property rights to a technology (the 'Hazer Process') which enables the production of hydrogen gas from the thermo-catalytic decomposition of methane (natural gas) with low carbon dioxide emissions and the co-production of a high-purity graphite product.

Review of operations

The loss for the company amounted to \$1,842,655 (31 December 2019: \$2,329,436).

In July 2020, the company approved the final investment decision to proceed with the Hazer Commercial Demonstration Plant (CDP). The CDP is a 100-ton-per-annum low-emission hydrogen production facility that will be the first larger-scale, fully integrated deployment of the Hazer Process and will be located at Water Corporation's Woodman Point Wastewater Treatment Plant at Munster in Western Australia.

Losses after income tax decreased by 21% on the prior half-year largely due to an increase in revenue \$1,174,821 (31 December 2019: \$18,586). Half-year revenue included \$150,000 grant income from the Western Australian state government's Renewable Hydrogen Fund; \$67,500 of Covid related support from the federal government, and \$951,463 R&D Tax Incentive rebate related to expenditure incurred in the prior financial year. The receipt of this R&D Tax Incentive rebate has been achieved earlier than has historically achieved with previous R&D Tax Incentive rebates being received in the second half of the financial year.

During the half-year, the company received \$9,410,000 (exclusive of GST) in grant funding from The Australian Renewable Energy Agency (ARENA), an independent agency of the Australian federal government, to support the design, procurement, construction and operation of the company's commercial demonstration plant. To access the grant funding, the company must meet the operational and technical requirements of agreed funding milestones in a form acceptable to ARENA. As at 31 December 2020, \$2,220,000 of the grant income received was available and used by the company with the relevant milestone having been met. Contract liabilities in the balance sheet represent the grant funding received where the milestone criteria are yet to be satisfied and the funds are not available to the company.

The company's cash and cash equivalents were \$28,784,809 as at 31 December 2020 (30 June 2020: \$17,236,257) and net assets at 31 December 2020 were \$20,177,960 (30 June 2020: \$18,013,551). The company's cash includes \$8,069,540 of cash that is restricted from use by the company until certain conditions are satisfied.

Hazer Group Limited
Directors' report
31 December 2020

Operating cash inflows for the half-year increased significantly compared to the prior period (31 December 2020: \$8,763,018 - 31 December 2019: (\$2,043,296)) largely due to the receipt of revenue and ARENA grant funding noted above. Investing cash outflows were \$1,730,177 (31 December 2019: \$362,506) being expenditure on the CDP.

Financing cash inflows during the half-year related to the exercise of options raising \$3,550,000 before share issue costs and \$1,013,037 net cash inflows from a senior secured loan.

The first \$2,000,000 million tranche of a \$6,000,000 senior secured loan was drawn in November 2020 with \$951,463 (being the R&D Tax Incentive rebate received during the period) immediately repaid in line with the loan repayment schedule. The key purpose of the loan is to fund the R&D activities associated with the construction of the CDP, however, the loan may also be utilised to improve the short term liquidity of the company and cover the lending costs. The loan will be called down in a further 2 tranches of \$2.0 million each and has a term of up to 5 years with repayments to be made from future R&D Tax Incentive payments received by Hazer. As at 31 December, \$879,540 of the loan proceeds drawn were held in a restricted bank account and will be accessed by the company as the expected R&D tax rebate associated with eligible expenditure on the CDP and other activities builds up.

As an early stage company, the company's business model is highly dependent on the achievement of continued technical development success as well as future funding, customer engagement and general financial and economic factors.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial half-year.

Matters subsequent to the end of the financial half-year

- In November 2020, Hazer executed a binding convertible note and option deed with AP Ventures Fund II GP LLP (APV) for an investment by APV in Hazer (Convertible Note Deed). AP Ventures is a leading global venture capital fund focussed on investment in the hydrogen sector, with their investments supporting their portfolio companies through the commercialisation and scale up phases. Under the terms of the Convertible Note Deed, subject to receipt of necessary approvals (including from the Australian Foreign Investment Review Board (FIRB)), APV will make a \$4 million investment in Hazer and acquire 4 million unlisted \$1 convertible notes and 2.25 million unlisted options in Hazer and will be entitled to nominate a representative to join the Hazer Board. Shareholder approval was obtained in January 2021. The investment remains subject to obtaining the necessary FIRB approvals at the date of this report.
- The impact of the Coronavirus (COVID-19) pandemic is ongoing. While it has had no material impact on the company up to 31 December 2020. It is not practicable to estimate the impact, positive or negative, after the reporting date. The company notes that the CDP project's procurement process has identified supply chain risks that may impact the Project's delivery schedule. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions that may impact the timely delivery of complex goods and services, and the impact of economic stimulus measures on the availability and cost of goods and services..

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial periods.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Hazer Group Limited
Directors' report
31 December 2015

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'G. Ward', is positioned above the printed name and title.

Geoff Ward
Managing Director

26 February 2021



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Hazer Group Limited for the half year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM
RSM AUSTRALIA PARTNERS


ALASDAIR WHYTE
Partner

Perth, WA
Dated: 26 February 2021

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Hazer Group Limited
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31 December 2020

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General information

The financial statements cover Hazer Group Limited. The financial statements are presented in Australian dollars, which is Hazer Group Limited's functional and presentation currency.

Hazer Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business are:

Registered office

Level 9, 99 St Georges Terrace
Perth WA 6000

Principal place of business

Level 9, 99 St Georges Terrace
Perth WA 6000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2021.

Hazer Group Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020

	Note	31 Dec 2020 \$	31 Dec 2019 \$
Revenue			
Interest received		5,858	18,586
R&D tax rebate		951,463	-
Grant income		150,000	-
Other income		67,500	-
Expenses			
Administration expenses		(557,827)	(458,651)
Consulting and research expenses		(799,777)	(438,694)
Employee benefits expenses		(1,097,879)	(1,009,307)
Share based payments		(485,286)	(413,906)
Finance costs		(54,142)	(4,899)
Depreciation and amortisation expense		(22,565)	(22,565)
Loss before income tax expense		(1,842,655)	(2,329,436)
Income tax expense		-	-
Loss after income tax expense for the half-year		(1,842,655)	(2,329,436)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year		<u>(1,842,655)</u>	<u>(2,329,436)</u>
		Cents	Cents
Basic and diluted loss per share		(1.33)	(2.32)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Hazer Group Limited
Statement of financial position
As at 31 December 2020

	Note	31 Dec 2020 \$	30 Jun 2020 \$
Assets			
Current assets			
Cash and cash equivalents	2	28,784,809	17,236,257
Other current assets	3	458,620	145,290
Total current assets		<u>29,243,429</u>	<u>17,381,547</u>
Non-current assets			
Plant and equipment		20,625	27,765
Commercial demonstration plant	4	681,258	1,051,871
Right-of-use asset		25,710	41,136
Total non-current assets		<u>727,593</u>	<u>1,120,772</u>
Total assets		<u>29,971,022</u>	<u>18,502,319</u>
Liabilities			
Current liabilities			
Trade and other payables	5	1,371,078	311,874
Provisions		136,893	131,264
Contract liabilities	6	5,690,000	-
Lease liabilities		-	33,345
Total current liabilities		<u>7,197,971</u>	<u>476,483</u>
Non-current liabilities			
Borrowings	7	1,065,290	-
Contract liabilities	6	1,500,000	-
Lease liabilities		29,801	12,285
Total non-current liabilities		<u>2,595,091</u>	<u>12,285</u>
Total liabilities		<u>9,793,062</u>	<u>488,768</u>
Net assets		<u>20,177,960</u>	<u>18,013,551</u>
Equity			
Issued capital	8	40,484,860	34,128,809
Reserves	9	3,980,580	7,185,964
Accumulated losses	10	(24,287,480)	(23,301,222)
Total equity		<u>20,177,960</u>	<u>18,013,551</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Hazer Group Limited
Statement of changes in equity
For the half-year ended 31 December 2020

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2019	18,541,771	9,224,488	(21,931,953)	5,834,306
Loss after income tax expense for the half-year	-	-	(2,329,436)	(2,329,436)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(2,329,436)	(2,329,436)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	5,523,231	-	-	5,523,231
Shares issued pursuant to the exercise of options	376,269	(16,269)	-	360,000
Share based payments	-	413,906	-	413,906
Transfer expired options to accumulated losses	-	(71,403)	71,403	-
Balance at 31 December 2019	<u>24,441,271</u>	<u>9,550,722</u>	<u>(24,189,986)</u>	<u>9,802,007</u>
Balance at 1 July 2020	34,128,809	7,185,964	(23,301,222)	18,013,551
Loss after income tax expense for the half-year	-	-	(1,842,655)	(1,842,655)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(1,842,655)	(1,842,655)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued pursuant to the exercise of options	6,356,051	(2,834,273)	-	3,521,778
Share-based payments	-	485,286	-	485,286
Transfer expired options to accumulated losses	-	(856,397)	856,397	-
Balance at 31 December 2020	<u>40,484,860</u>	<u>3,980,580</u>	<u>(24,287,480)</u>	<u>20,177,960</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Hazer Group Limited
Statement of cash flows
For the half-year ended 31 December 2020

	Note	31 Dec 2020	31 Dec 2019
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(2,694,657)	(2,061,160)
Interest received		5,858	18,586
Interest and other finance costs paid		(646)	(722)
Research and development tax rebate received		951,463	-
ARENA grant income received (inclusive of GST)		10,351,000	-
Grant income received (inclusive of GST)		82,500	-
Other government rebates received		67,500	-
		<u>8,763,018</u>	<u>(2,043,296)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for commercial demonstration plant		(1,730,177)	(362,506)
		<u>(1,730,177)</u>	<u>(362,506)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issue of shares, net of share issue costs		-	5,574,292
Proceeds from exercise of share options, net of share issue costs		3,520,912	360,000
Proceeds from borrowings		2,000,000	-
Repayment of borrowings		(951,463)	-
Transaction costs related to borrowings		(35,500)	-
Repayment of lease liability		(18,238)	(15,958)
		<u>4,515,711</u>	<u>5,918,334</u>
Net cash provided by financing activities			
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the financial half-year		11,548,552	3,512,532
		<u>17,236,257</u>	<u>6,003,068</u>
Cash and cash equivalents at the end of the financial half-year			
		<u><u>28,784,809</u></u>	<u><u>9,515,600</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below:

Revenue recognition

Grant income

The company receives grant income from the Western Australian state government. The company recognises the grant income when the conditions attached to the grant are satisfied and there is reasonable assurance the grant will be received.

Contract liabilities

The company has received grant funding from The Australian Renewable Energy Agency (ARENA), an independent agency of the Australian federal government, to support the design, procurement, construction and operation of the commercial demonstration plant. To access the grant funding, the company must meet the operational and technical requirements of agreed funding milestones in a form acceptable to ARENA. Contract liabilities represent the grant funding received where the milestone criteria are yet to be satisfied and the funds are not available to the company.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

31 Dec 2020 **30 Jun 2020**
\$ \$

Note 2. Cash and cash equivalents

Cash at bank	20,630,362	17,151,350
Cash on deposit	84,907	84,907
Cash at bank – restricted ¹	7,190,000	-
Cash at bank – restricted ²	879,540	-
	28,784,809	17,236,257
	28,784,809	17,236,257

¹ The company has received grant funding from ARENA, an independent agency of the Australian federal government, to support the design, procurement, construction and operation of the commercial demonstration plant. To access the grant funding, the company must meet the operational and technical requirements of agreed funding milestones in a form acceptable to ARENA. This restricted cash represents the grant funding received where the milestone criteria are yet to be satisfied and the funds are not yet freely available for use by the company.

² The company has received borrowing proceeds which are not yet freely available for use by the company. The company can access funds up to 85% of the expected future R&D tax rebate on eligible expenditure on the CDP and other activities.

Hazer Group Limited
Notes to the financial statements
31 December 2020

31 Dec 2020 **30 Jun 2020**
\$ **\$**

Note 3. Other current assets

Trade receivable	82,500	-
Prepayments	175,241	48,258
GST refundable	197,275	93,428
Deposit	3,604	3,604
	<u>458,620</u>	<u>145,290</u>

31 Dec 2020 **30 Jun 2020**
\$ **\$**

Note 4. Commercial demonstration plant

Commercial demonstration plant – cost	2,901,258	1,051,871
Commercial demonstration plant – accumulated amortisation	-	-
Commercial demonstration plant – ARENA grant offset	(2,220,000)	
	<u>681,258</u>	<u>1,051,871</u>

The commercial demonstration plant design is a key stage in the development and scale up of the Hazer process. Development costs directly attributable to create, produce and prepare the commercial demonstration plant for the purpose intended by management is recognised as an intangible asset when the criteria under AASB 138 are satisfied. The commercial demonstration plant has not been amortised as it is not yet ready for use.

31 Dec 2020 **30 Jun 2020**
\$ **\$**

Note 5. Trade and other payables

Accounts payable	350,016	135,071
GST payable	956,000	-
Other payables	65,062	176,803
	<u>1,371,078</u>	<u>311,874</u>

31 Dec 2020 **30 Jun 2020**
\$ **\$**

Note 6. Contract liabilities

Current contract liability	5,690,000	-
Non-current contract liability	1,500,000	-
	<u>7,190,000</u>	<u>-</u>

The company has received grant funding from ARENA, an independent agency of the Australian federal government, to support the design, procurement, construction and operation of the commercial demonstration plant. To access the grant funding, the company must meet the operational and technical requirements of agreed funding milestones in a form acceptable to ARENA. Contract liabilities represent the grant funding received where the milestone criteria are yet to be satisfied and the funds are not yet available to the company.

Hazer Group Limited
Notes to the financial statements
31 December 2020

31 Dec 2020 **30 Jun 2020**
\$ **\$**

Note 7. Borrowings

Current borrowings	-	-
Non-current borrowings	<u>1,065,290</u>	<u>-</u>
	<u><u>1,065,290</u></u>	<u><u>-</u></u>

The borrowings are secured. The lender as a registered security interest over the present and future assets of Hazer under a general security deed

Note 8. Equity - issued capital

	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>145,134,802</u>	<u>136,259,802</u>	<u>40,484,860</u>	<u>34,128,809</u>

Movements in ordinary shares

		No of shares	Issue price	\$
Opening balance 1 July 2019		136,259,802		34,128,809
Issue of shares on exercise of series B options	13 Oct 2020	2,150,000	0.40	860,000
Issue of shares on exercise of series B options	23 Oct 2020	1,125,000	0.40	450,000
Issue of shares on exercise of series B options	30 Oct 2020	200,000	0.40	80,000
Issue of shares on exercise of series B options	10 Nov 2020	1,500,000	0.40	600,000
Issue of shares on exercise of series B options	23 Nov 2020	600,000	0.40	240,000
Issue of shares on exercise of series B options	30 Dec 2020	3,300,000	0.40	1,320,000
Transfer of series B options from options reserve	31 Dec 2020	-	-	2,834,273
Share issue transaction costs		-	-	(28,222)
Closing balance 31 December 2020		<u><u>145,134,802</u></u>		<u><u>40,484,860</u></u>

31 Dec 2020 **30 Jun 2020**
\$ **\$**

Note 9. Equity - reserves

Option reserve	<u>3,980,580</u>	<u>7,185,964</u>
	<u><u>3,980,580</u></u>	<u><u>7,185,964</u></u>

Option reserve

The option reserve records items recognised as expenses on the valuation of share options.

Hazer Group Limited
Notes to the financial statements
31 December 2020

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	No of Options	Value \$
Balance at 1 July 2020	25,625,000	7,185,964
<i>New options issued during the half-year vesting over multiple periods</i>		
Series N	2,000,000	316,165
<i>Existing options issued in prior periods vesting over multiple periods</i>		
Series M & N	-	169,121
<i>Options exercised & lapsed during the period</i>		
Series B - exercised	(8,875,000)	(2,834,273)
Series J - lapsed	(3,750,000)	(856,397)
Balance at 31 December 2020	<u>15,000,000</u>	<u>3,980,580</u>

The value of the options issued during the half-year and vesting over multiple periods and expensed to the statement of profit or loss and other comprehensive income is \$485,286.

	31 Dec 2020 \$	30 Jun 2020 \$
Note 10. Equity – Accumulated losses		
Accumulated losses at the beginning of the financial year	23,301,222	21,931,953
Loss after income tax expense for the year	1,842,655	3,225,289
Transfer expired options to accumulated losses	(856,397)	(1,856,020)
Accumulated losses at the end of the financial year	<u>24,287,481</u>	<u>23,301,222</u>

Note 11. Contingent assets and liabilities

The company does not have any contingent assets and liabilities at 31 December 2020 (2019: Nil).

Note 12. Segment information

The company has considered the requirements of AASB8 – Operating Segments and has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision-makers) in assessing performance and determining the allocation of resources.

The company operates as a single segment being research and development of novel graphite-and-hydrogen-production technology. There is no difference between the audited financial report and the internal reports generated for review. The company is domiciled in Australia and is currently in the development phase and hence has not begun to generate revenue from operations. All the assets are located in Australia.

Hazer Group Limited
Notes to the financial statements
31 December 2020

Note 13. Commitments

Committed at the reporting date but not recognised as liabilities:

	31 Dec 2020	30 Jun 2020
	\$	\$
<i>Research collaboration agreement:</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	284,763	317,851
Later than 1 year but not later than 5 years	<u>87,650</u>	<u>251,950</u>
	<u>372,413</u>	<u>569,801</u>

Note 14. Events after the reporting period

- In November 2020, Hazer executed a binding convertible note and option deed with AP Ventures Fund II GP LLP (APV) for an investment by APV in Hazer (Convertible Note Deed). AP Ventures is a leading global venture capital fund focussed on investment in the hydrogen sector, with their investments supporting their portfolio companies through the commercialisation and scale up phases. Under the terms of the Convertible Note Deed, subject to receipt of necessary approvals (including from the Australian Foreign Investment Review Board (FIRB)), APV will make a \$4 million investment in Hazer and acquire 4 million unlisted \$1 convertible notes and 2.25 million unlisted options in Hazer and will be entitled to nominate a representative to join the Hazer Board. Shareholder approval was obtained in January 2021. The investment remains subject to obtaining the necessary FIRB approvals at the date of this report.
- The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had no impact on the company up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Hazer Group Limited
Directors' declaration
31 December 2020

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Geoff Ward
Managing Director

26 February 2021



RSM Australia Partners

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2 The Esplanade Perth WA 6000
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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
HAZER GROUP LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Hazer Group Limited, which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Hazer Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Hazer Group Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Hazer Group Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM
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A Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 26 February 2021