

\$15M ENTITLEMENT OFFER TO EXPEDITE CDP OPERATIONS AND ADVANCE HAZER COMMERCIALISATION

Highlights

- *3 for 16 Entitlement Offer to raise up to approximately A\$15.3 million.*
- *Issue price of A\$0.48 per share represents a 17% discount to 15-day VWAP and a 11% discount to last closing price.*
- *Attaching 1 for 2 option at \$0.75 strike price with an 18-month expiry. The company will apply to have the options quoted for trading on the ASX.*
- *Partial underwriting secured for A\$6.0 million. All directors are intending to take up their full entitlement.*
- *Eligible shareholders and other investors invited to apply for any shortfall under the Entitlement Offer; priority allocation to existing eligible shareholders.*
- *Proceeds raised to support ongoing operational performance and testing from the CDP and advance Hazer's existing commercial projects and expand growth portfolio for low emission hydrogen and graphitic carbon.*

PERTH, AUSTRALIA; 31 July 2023: Hazer Group Ltd ("Hazer" or "the Company") (ASX: HZR) is pleased to announce a non-renounceable pro-rata offer to eligible shareholders to raise up to approximately A\$15.3 million (before costs) ("Entitlement Offer").

The Entitlement Offer is for 3 new ordinary shares ("New Shares") for every 16 existing shares held on the record date of 7.00pm on Thursday 3 August 2023 ("Record Date") at an issue price of A\$0.48 per new share. In addition, eligible shareholders will be issued an attaching new option (on a 1 for 2 New Shares basis) at a strike price at A\$0.75 with an 18-month duration. The Company will apply to have the new options quoted on the ASX. The Entitlement Offer is partially underwritten by Viriathus Capital Pty Ltd for A\$6.0 million. The Entitlement Offer also provides for eligible shareholders, and other investors, to apply for any shortfall that might exist after all valid entitlement is taken up.

Funds raised are to be principally used towards:-

1. Supporting the ongoing operational performance from the Company's Commercial Demonstration Plant (CDP) post start up in 2023.
2. R&D to advance and prepare the technology for commercial-scale deployment following CDP commissioning.
3. Advancing current commercial projects in North America, Japan and France and unlock further commercial pipeline opportunities in Asia and North America.
4. General working capital.

Further details of Hazer's intended use of funds are provided in the Prospectus to be issued by the Company today.

This Entitlement Offer strengthens Hazer's funding position and complements other sources of funding including its 2022/23 Research and Development rebate claim and further ARENA grant funding milestones (ref. announcement of 2/2/2023) both due in CY2023.

The Company's CDP remains on schedule to commence operations during this calendar year. Material progress has been made with the procurement of the replacement heat-exchanger and reactor which have both arrived in Australia and are now undergoing final preparation and assembly prior to delivery to the CDP for installation and commissioning for start-up operations.

Hazer Managing Director and CEO Glenn Corrie said: *“We continue to prudently manage and maintain a healthy balance sheet and secure additional funding during the Company’s pre-revenue phase. This funding together with our cash and other sources of funds, strengthens our liquidity enabling us to deliver our CDP as planned and concurrently execute our growth strategy, while enabling our existing shareholders to participate in this upside.”*

He continued, *“As we articulated during our strategy update, bringing our CDP online this year and accelerating the commercial scale-up projects with tier-1 partners seeking a near-term decarbonisation solution are key priorities. These will provide further validation of our disruptive technology which I’m confident will unlock further value creation opportunities for Hazer shareholders.”*

Eligible Jurisdictions

The Entitlement Offer is being made available to shareholders with a registered address in Australia, Hong Kong, New Zealand, Singapore and the United Kingdom as at the Record Date.

Indicative Timetable

The Entitlement Offer will be undertaken in accordance with the following indicative timetable:

<i>Event</i>	<i>Date</i>
Trading Halt begins	Thursday, 27 July 2023
Announcement of Offer	Monday, 31 July 2023
Trading Halt ends	Monday 31 July 2023
Rights Issue Record Date to identify security holders entitled to participate in the Offer	Thursday, 3 August 2023
Rights Issue Opens with offer documents and personalised entitlements and acceptance forms sent to eligible security holders	Friday, 4 August 2023
Rights Issue Closes	Friday, 18 August 2023
Announcement of results of the offer and shortfall offer	Monday, 21 August 2023

Shortfall Offer and Partial Underwriting

Eligible shareholders (other than Directors and other related parties and their respective associates) may, in addition to taking up their entitlements in full, apply for additional shares and options in excess of their entitlements (“Shortfall Securities”). Shortfall Securities will only be available when there is a shortfall between applications received from eligible shareholders under the Entitlement Offer, and the number of new shares and new options offered under the Entitlement Offer. Other investors may also be invited to apply for Shortfall Securities before the closing date for the Entitlement Offer. Existing eligible shareholders will be provided with a priority allocation of any available Shortfall Securities. Details of the partial underwriting are provided in the Prospectus, including applicable termination events and the potential control implications. The allocation policy for the Shortfall Securities is detailed further in the Company’s Prospectus.

The Entitlement Offer is partially underwritten by Viriathus Capital Pty Ltd for A\$6.0 million.

Capital Structure

The effect of the Entitlement Offer on the Company’s capital structure, on the assumption the Entitlement Offer is fully subscribed, is outlined below (subject to rounding):

<i>Securities</i>	<i>Shares</i>	<i>Options</i>
Securities currently on issue	170,443,743	10,632,890
New securities offered under the Entitlement Offer	31,958,202	15,979,101
TOTAL	202,401,945	26,611,991

The Directors of Hazer urge you to read the Prospectus carefully and seek advice from your financial adviser if you have any queries.

Lead Manager

Viriathus Capital Pty Ltd has been appointed as Lead Manager and sale agent with respect to the Entitlement Offer.

[ENDS]

Authorised for release by the Board of the Company.

ABOUT HAZER GROUP LTD

Hazer Group Limited ("Hazer" or "The Company") is an ASX-listed technology development company undertaking the commercialisation of the Hazer Process, a low-emission hydrogen and graphitic carbon production process. The Hazer Process enables the effective conversion of natural gas and similar methane feedstocks, into hydrogen and high-quality advanced carbon materials, using iron ore as a process catalyst.

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Forward-looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts but are based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties, assumptions, and other factors, which could cause actual results to differ materially to futures results expressed, projected, or implied by such forward looking statements. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statements" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under the applicable securities laws.

Hazer Group Limited - Social Media Policy

Hazer Group Limited is committed to communicating with the investment community through all available channels. Whilst ASX remains the prime channel for market-sensitive news, investors and other interested parties are encouraged to follow Hazer on Twitter (@hazergroupltd), LinkedIn, Facebook, and YouTube.

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