

EXECUTION OF ARENA FUNDING AGREEMENT

PERTH, AUSTRALIA; 16 MARCH 2020: Hazer Group (ASX:HZR) is pleased to announce that the Company has executed a binding funding agreement with the Australian Renewable Energy Agency (ARENA) for grant funding of up to \$9.41 million under the Advancing Renewables Program to support the design, procurement, construction and operation of the Hazer Process Commercial Demonstration Project.

Under the Funding Agreement, Hazer will be eligible to call down up to \$7.9 million of funding in three tranches during the capital construction phase of the project subject to meeting key design, contracting, construction and commissioning milestones, with up to a further \$1.5 million available to be called down in three annual tranches during the operational phase of the project.

Funding under this agreement remains contingent on Hazer satisfying certain conditions precedent, in a form acceptable to ARENA, including completion of binding Biogas Supply and Hydrogen Offtake Agreements, and demonstrating financial capacity to complete of the project. At each funding milestone, Hazer is required to submit a Milestone Report demonstrating that the Company has met the operational and technical requirements of that milestone and demonstrating the ongoing capacity to fund and execute the project.

The Hazer Process Commercial Demonstration Project 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. The Hazer Commercial Demonstration Project will be located at the Water Corporation's Woodman Point Waste-Water Treatment Plant, utilising biogas produced at the treatment plant as feedstock to produce hydrogen and graphite. The hydrogen produced will be fuel cell grade capable of being used as a low emission transport fuel.

As advised in our latest Appendix 4C Quarterly Report (released on the ASX on 31 January 2020), Hazer is progressing engineering, funding and commercial activities to support the Board's sanction of a Final Investment Decision for the Project. At project sanction the Board will formally approve the project budget and schedule, which is currently targeted to be \$16.5 million with an estimated range of \$16 - \$17 million.

We are continuing to maintain our target project schedule to achieve project commissioning in Q1 2021. Hazer Managing Director, Geoff Ward said "We are delighted to have executed this Funding Agreement with ARENA. We gratefully acknowledge the support of the Australian Government through the important phase of commercial development for this novel Australian technology.

Hazer would like to thank the team at ARENA for their support in negotiating this agreement and look forward to working with the ARENA team as we progress project sanction, contracting and delivering this exciting project."

This announcement was authorised for release by the Board of the Company.

[ENDS]

Forward Looking Statements

This announcement may contain certain “forward looking statements” which may not have been based solely on historical facts, but rather 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.

ABOUT HAZER GROUP LIMITED

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 graphite production process. The Hazer Process enables the effective conversion of natural gas and similar methane feedstocks, into hydrogen and high-quality graphite, using iron ore as a process catalyst.

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