

EXECUTION OF BINDING GAS SUPPLY AGREEMENT AND COLLABORATION DEED WITH WATER CORPORATION

PERTH, AUSTRALIA; 26 MAY 2020: Hazer Group (ASX:HZR) is pleased to announce that the Company has executed a binding Gas Supply Agreement and Collaboration Deed with Water Corporation for the supply of biogas and co-location of the Hazer Process Commercial Demonstration Project.

Under the Gas Supply Agreement, Water Corporation will supply biogas produced at its Woodman Point Wastewater Treatment Plant (WWTP) as feedstock for the proposed Hazer Process Commercial Demonstration Project. The Collaboration Deed provides for Hazer to construct the proposed plant at the Woodman Point site and covers the responsibilities of both parties during the development, construction and operation of the Hazer Process Commercial Demonstration Project at the Woodman Point WWTP site.

Delivery of biogas under the Gas Supply Agreement is scheduled to begin in 2021 and continue for three years. This is consistent with the planned duration of the demonstration project and the Funding Agreement executed with the Australian Renewable Energy Agency (ARENA) in January 2020.

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 hydrogen produced will be fuel cell grade, capable of being used as a low emissions transport fuel.

As advised on 31 March 2020, Hazer's Board of Directors has approved a capex budget for the Hazer Commercial Demonstration Plant of \$16.65 million. Engineering, procurement, and commercial activities required to reach a Final Investment Decision (FID) on the project continue to be progressed, with a decision on proceeding with full implementation of the Project expected by mid-2020. At this point, we are continuing to maintain our current schedule with a target project commissioning date of Q1/Q2 2021. This will be assessed on an ongoing basis in light of the impact the Covid-19 pandemic is having on general economic conditions, availability of finance and level of disruption to availability of workforce, materials and equipment.

Hazer Managing Director, Geoff Ward said "We are delighted to have executed the Gas Supply Agreement and Collaboration Deed with Water Corporation. We gratefully acknowledge the ongoing collaboration with Water Corporation, as well as the ongoing support from ARENA, and look forward to continuing to work with them to make this exciting project a success."

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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ABOUT WATER CORPORATION

Water Corporation is a Western Australian Government Owned Corporation principally responsible for the production and supply of potable water, the treatment and disposal of wastewater and the supply of drainage services in WA.

Background and general information about the Water Corporation activities can be found here: (<https://www.watercorporation.com.au/about-us>).