

COMMENCEMENT OF SITE WORKS AND PROJECT UPDATE

PERTH, AUSTRALIA; 15 MARCH 2021: Hazer Group (ASX: HZR) is pleased to advise that it has been granted access to the project site at the Woodman Point waste-water treatment facility for the Hazer Commercial Demonstration Project (the Hazer CDP). Mobilisation of equipment, site-clearing and civil earthworks will commence this week. This is an important milestone for the Hazer CDP, and we would like to thank the Water Corporation team for their cooperation in reaching this key milestone.

During the first quarter of 2021, Hazer has continued to progress detailed engineering and procurement activities to progress the Hazer CDP. Significant progress has been made on our primary focus area, the finalisation of the reactor and furnace detailed design packages and the award of these key contracts. As previously indicated, we expect to complete the award of these packages by the end of March 2021.

With the placement of major packages order for the project nearing completion, we advise that the expected cost of the project has seen some increase, with our expected final cost now estimated to be between 5 – 10% above our initial indicated capital cost estimate of \$17 million.

The increase in cost is due to a number of factors, including; an increased budget for the reactor and furnace packages as the revised design has required more complex metallurgy to be able to safely deal with the required process conditions, increased engineering costs to complete the detailed design due to the complexity of issues required to be resolved to deliver this complex, first-of-its-kind technical project, increased costs for some primary equipment items between initial budget prices and final pricing reflecting improved activity in global markets as economies begin recovery from the covid-related slowdown in 2020 and increased labour and equipment costs driven by the very strong activity levels in the West Australian economy. Together, these factors have raised our budget forecast with an expected final range of \$17.9 - \$18.7 million.

With the commencement of civil site works this month and the receipt of first equipment packages also occurring during this quarter, we continue to plan site installation and construction activities to commence from mid-2021, and we maintain our target completion date of 4Q 2021. With the revision to the reactor and furnace package designs highlighted previously, we are now targeting project commissioning to commence in November 2021, approximately 1 month later than the previously indicated guidance of October 2021.

Geoff Ward, Chief Executive Officer of Hazer Group said “We continue to make strong progress on the CDP with finalisation of key aspects of the technical design and commencement of earthworks. As a first-of-kind project, the technical challenges are significant, but I am delighted by the way the Hazer team has worked with industry experts, suppliers and universities to resolve these challenges and deliver a robust design for the Hazer 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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