

HAZER GROUP'S PRE-PILOT PLANT MILESTONE AND TECHNICAL STRATEGY UPDATE

- **Fully continuous operation of the pre-pilot plant achieved**
- **2nd generation reactor design complete with delivery on track for mid-2018**
- **Pre-pilot plant to be relocated to Perth with significant cost reductions**
- **Former-managing director will provide ongoing support to facilitate seamless transition to new CEO**

PERTH, AUSTRALIA; 16th APRIL 2018: Hazer Group Ltd (“Hazer” or “the Company”) (ASX:HZR, HZRO) is pleased to announce that the pre-pilot plant has achieved fully continuous operation, successfully demonstrating on-line injection of iron ore catalyst and sustained graphite movement out of the reactor.

This represents a major step in Hazer’s journey to large-scale commercial production, as it indicates that the process can work over extended periods of time while consistently producing both graphite and hydrogen under continuous steady-state operation.

Hazer’s Acting Chief Executive Officer, Mark Edwards said; “Over the course of scale-up development, the pre-pilot plant has generated incredibly valuable information on process operations necessary to de-risk the design and develop the commercial scale mass and energy balance. We have successfully overcome the design and operation issues encountered during the initial phase, many of which were directly related to the small-scale nature of the pre-pilot plant”.

With these successful continuous trial runs occurring in quick succession, the company has gathered sufficient data to move into the next stage of optimising the process with a larger reactor and start demonstrating the commercial viability of synthetic graphite production in conjunction with Mineral Resources Limited (ASX: MIN) under the Binding Cooperation Agreement that was announced on 20 December 2017.

Hazer is also pleased to announce that the pre-pilot plant’s second-generation reactor design has been finalised and construction is progressing on schedule with expected delivery in mid-2018.

Technical Development Strategy Update

Hazer takes this opportunity to provide an update on the company’s technical development strategy. With the pre-pilot plant milestone successfully reached, the company will now focus on proving the technology at larger scale production levels in conjunction with the Mineral Resources Limited project.

Hazer will now relocate its pre-pilot plant to Perth as part of the commercialisation strategy with Mineral Resources Limited. The consolidation of the Hazer head office and technical team into Western Australia, and the closing of the Sydney office, will have significant cost saving benefits and at the same time ensures that the joint Hazer-Mineral Resources development team is best placed to commercialise both Company's technology in the most efficient and expeditious manner possible.

While the agreement with Mineral Resources is focused on the ability of the Hazer Process to produce high-grade synthetic graphite, the focus of Hazer is still equally weighted on the production of hydrogen. The relocation of the technical team to Perth will not alter this focus, and will remain an integral part of the business going forward.

Managing Director Transition Phase

Further to the announcement to the market on Friday 6th April regarding Board and management changes, former managing director, Mr Geoff Pocock, has completed his handover to Mark Edwards who will fulfil the role as Acting Chief Executive Officer while Hazer recruits a new managing director/chief executive officer.

To ensure a seamless transition at the senior executive level, Mr Pocock will remain available to provide ongoing support as needed until the company secures the services of a permanent managing director/chief executive officer.

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

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, Google+ and Youtube.

