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HAZER COMPLETES COMMISSIONING OF PRE-PILOT PLANT

- **Commissioning of Pre-Pilot Plant now complete**
- **Marks an important milestone in Hazers scale-up roadmap**
- **Pre-Pilot Plant now ready to commence operational experimentation phase**

PERTH, AUSTRALIA; 6th JULY 2017: Hazer Group Ltd ("Hazer" or "the Company") (ASX:HZR, HZRO) is is pleased to announce the successful commissioning of the Company's pre-pilot plant, located in St Marys in Western Sydney. This marks a significant inflexion point in Hazer's development trajectory, with the pre-pilot plant now ready to commence the operational experimentation phase.

Today's commissioning demonstrates the potential operation of the Hazer Process beyond laboratory-based equipment, and brings Hazer closer to its goal of supplying global markets with economically competitive, clean hydrogen and synthetic graphite.

The pre-pilot plant will now be used to illustrate the impact of scale-up on process performance and graphite product quality, and demonstrate the de-risking design and optimisation requirements of the technology.

Furthermore, various process design and operational optimisation opportunities have already been identified during the commissioning phase, and will be progressed as part of ongoing operations of the pre-pilot plant.

Hazer Group Managing Director Geoff Pocock said: "This successful commissioning will now allow Hazer to continue its transition from laboratory-based development to functional industrial technology. The pre-pilot plant enables us to evaluate the performance of the Hazer Process at temperature, pressure and in a fluidised state and advance our development strategy to demonstrate our technology can operate at this scale and beyond."

The company will now embark on further testing, with plans to operate the system in semi-continuous mode. In this mode, graphite is ejected from the system, with the iron ore catalyst having been inserted prior to operation.

This initial phase allows the Hazer Process to be incrementally tested and validated in sequential fashion, with an initial focus on operational optimisation, fluidisation, reaction kinetics and graphite recovery.

Following the semi-continuous stage, the Company will upgrade the pre-pilot plant to incorporate on-line catalyst injection to facilitate fully continuous operation – catalyst injection and graphite ejection – of the system. The primary purpose of this latter stage will be to assess the optimal operating conditions across a full range of variables, including temperature, pressure, gas flow, and catalyst type and size.

Despite the slight delay in commissioning this initial phase of the pre-pilot plant, Hazer anticipates full system operability including catalyst injection by the end of 2017. The progressive stages of operation and estimated timelines are illustrated below:

Final Construction	COMPLETED
First Hydrogen and Graphite Production	COMPLETED
Fully Commissioned	COMPLETED
Start Semi-Continuous Operation	Q3 2017
Start Fully Continuous Operation	LATE 2017

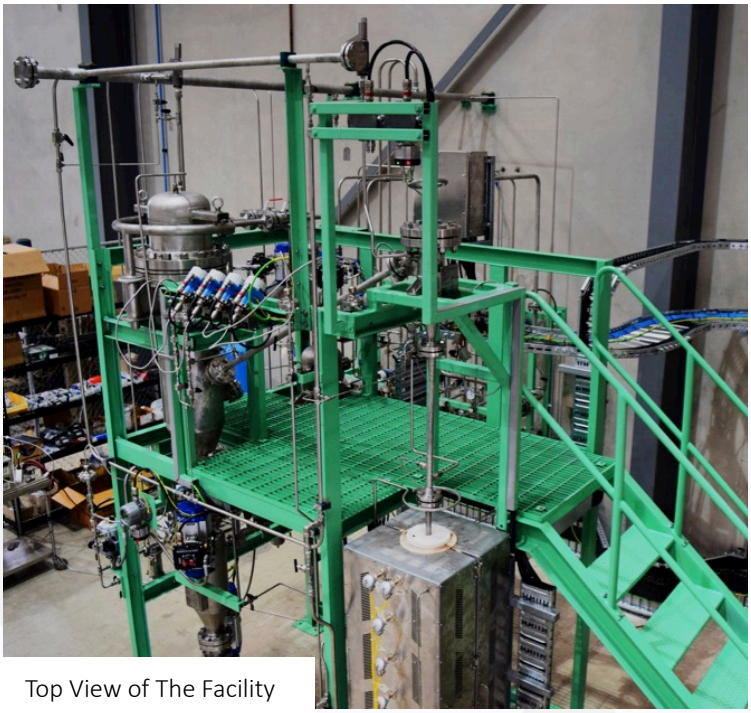
Once operational in fully continuous mode, the pre-pilot plant will be used to generate data necessary for the design and construction of Hazer's next plant – a commercial prototype facility that is expected to be of a greater scale, ideally suited to the vehicle refuelling market.

With hydrogen tipped to become an important clean energy fuel, Hazer remains focused on advancing the scale of the Hazer Process to suit this market and take advantage of major trends occurring globally, including:

- Governments prioritising a push towards lower vehicle emissions
- Major automotive manufactures pursuing fuel cell vehicles
- Increased consumer adoption of fuel cell vehicles
- Significant refuelling infrastructure being developed across Europe, Asia and the US
- The increasing focus on small scale distributed hydrogen production
- Newly created 'Hydrogen Council' to invest $10.7B euros in projects within 5 years

[ENDS]

Hazer's Pre-Pilot Plant



Top View of The Facility

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.

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