

Australian Stock Exchange Limited  
Level 40, Central Park  
152-158 St George's Terrace  
Perth WA 6000

10 November 2017

By email: wade.baggott@asx.com.au

Dear Wade,

### **ASX QUERY LETTER RESPONSE**

I refer to your letter dated 3 November 2017 concerning Hazer Group Limited's (the Company or Hazer) patent applications.

In response to your queries:

1. Hazer does not believe that a reasonable person would consider the information referred to in paragraphs C and D of your letter to be material to the price or value of its securities.
2. Hazer's reasons for this belief are set out below.
  - a) The patent applications referred to in paragraphs B, C and D of your letter are still pending and have not been determined.
    - The patent applications were lodged as PCT applications under the provisions of the Patent Co-operation Treaty.
    - The PCT application stage is a process to facilitate the filing of patent applications in a number of countries simultaneously. This is known as the international phase. It is a place holding application that allows an applicant to preserve the opportunity to file a specific patent application in a desired country jurisdiction at a later date. During the international phase, applicants have time to assess their applications and decide whether to pursue patent protection and in which country.
    - The PCT application itself does not mature into a worldwide patent. All patent rights are granted by national or regional patent offices. At the end of the international phase, steps may be taken to file an application into any or all of the countries or regions designated in the original PCT application. This is known as the national phase.

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- In relation to Hazer’s patent family 1 “A process for producing hydrogen and graphitic carbon from hydrocarbons” (referred to in paragraph B of your letter) - Hazer has filed national phase applications in 23 jurisdictions. These national phase applications will now be formally examined for compliance according to the requirements of each jurisdiction. This is generally a time consuming process that involves detailed correspondence between patent applicants and the relevant patent offices. The filing of these national phase applications was disclosed in the Company’s announcement dated 20 October 2017 “Hazer IP Update – Files for National Phase Patent Applications”.
  - In relation to Hazer’s patent family 2 “A process for controlling the morphology of graphite” (referred to in paragraph B of your letter) – this patent family remains a PCT application. Hazer is continuing to assess this patent application and no decisions have yet been made whether to proceed to the national phase or not.
- b) The Written Opinion of the International Searching Authority (the report referred to in paragraphs C & D of your letter) is a preliminary document that is not binding and together with the International Search Report forms the basis for the International Preliminary Report on Patentability. It is a procedural document during the international phase that informs applicants and assists with commercial decision-making whether to proceed to a national phase patent application.
- The Written Opinion of the International Searching Authority is a usual part of the process during the international phase of a PCT application.
  - The findings are not binding on the national or regional patent offices. The Written Opinion does not give rise to or preclude the grant of any future patent rights.
  - The Written Opinion is an initial review or preliminary assessment of the PCT application based on the existing patents in relevant jurisdictions identified in the International Search Report. It gives an opinion on the potential patentability based on the information lodged at that time and allows applicants to evaluate whether to proceed to the national phase stage or not. The Written Opinion is valuable feedback to inform applicants and provide an opportunity for the patent application to be amended or further information to be provided at the national phase stage.
  - As noted in paragraph 2a. above, Hazer has proceeded to the next stage and lodged national phase applications for its patent family 1 (referred to in paragraph B of your letter). Patent family 2 (referred to in paragraph B of your letter) remains in the international phase and is still being evaluated by Hazer.

For these reasons, Hazer is of the view that disclosure of information relating to the PCT application process, which includes the Written Opinion of the International Searching Authority, and internal management decisions concerning those applications is not material to the price or value of its securities and is not material information that is required to be disclosed to the market. In Hazer's view, disclosure would be premature in circumstances where the patent applications remain pending and would be matters of supposition only. Further, in Hazer's view this is information that is not ordinarily disclosed or generally expected to be disclosed to the market.

3. N/A.

Kind Regards,



**Emma Waldon**  
**Company Secretary**

[ENDS]



3 November 2017

Ms Emma Waldon  
Company Secretary  
Hazer Group Limited

By email: [ewaldon@hazergroup.com.au](mailto:ewaldon@hazergroup.com.au)

Dear Ms Waldon

**Hazer Group Limited (“Hazer”): Query letter**

ASX Limited (“ASX”) refers to the following:

- A. The announcement issued by Hazer dated 20 October 2017 entitled “Hazer IP Update – Files National Phase Patent Applications”.
- B. The disclosure on pages 1 and 2 of this announcement, which states:

“Hazer currently has four patent application families pending. All these patent families are the sole property of Hazer, and are held with no encumbrances, royalties payable or other limitations on ownership or application.

Family	Country	Application number (where available)	Filing date	Status
1 – A process for producing hydrogen and graphitic carbon from hydrocarbons	Australia	AU 2016240393	31/3/16	pending
...	[lists further national filings listed with the above filing date and status]			
2 – A process for controlling the morphology of graphite	WIPO	WO/2017/031529	26/8/16	pending

- C. The “Written Opinion of the International Searching Authority” pursuant to the Patent Cooperation Treaty rule 43bis.1 in relation to PCT/AU2016/000115<sup>1</sup>, the international application number that corresponds to the application listed above as national number AU 2016240393.<sup>2</sup> This document contains statements to the effect that the opinion of the International Searching Authority is, of the 25 claims made in the application:

<sup>1</sup> Available at [https://patentscope.wipo.int/search/docservicepdf\\_pct/id00000035165848/WOSA/WO2016154666.pdf](https://patentscope.wipo.int/search/docservicepdf_pct/id00000035165848/WOSA/WO2016154666.pdf).

<sup>2</sup> According to World Intellectual Property Organisation records, <https://goo.gl/j7ueC9>.

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- a. 15 satisfied the requirement for novelty, and the balance did not; and
- b. 11 satisfied the requirement for an inventive step, and the balance did not.

D. The “Written Opinion of the International Searching Authority” pursuant to the Patent Cooperation Treaty rule 43bis.1 in relation to PCT/AU2016/000298<sup>3</sup>, the international application number that corresponds to the application listed above as number WO/2017/031529.<sup>4</sup> This document contains statements to the effect that the opinion of the International Searching Authority is that none of the claims in the application satisfy the either the requirements of:

- a. novelty; or
- b. an inventive step.

E. The announcement did not disclose the information referred to in paragraphs C and D.

Having regard to the above, ASX requests that Hazer provide the following information:

- 1) Whether Hazer believes that a reasonable person would consider the information referred to in paragraphs C and D material to the price or value of its securities.
- 2) If the answer to question 1 is no, could you please set out Hazer’s reasons for that belief.
- 3) If the answer to question 1 is yes, could you please explain whether Hazer has disclosed the information previously and, if not, why not.

**When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response covering points 1 to 3 above is required as soon as reasonably possible and, in any event, by not later than 5 p.m. AEDT on Friday 10 November 2017.

ASX reserves the right under Listing Rule 18.7A to release this letter and your response to the market.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[sent electronically without signature]*

Wade Baggott  
**Principal Adviser, ASX Listings Compliance**

<sup>3</sup> Available at [https://patentscope.wipo.int/search/docservicepdf\\_pct/id00000036868043/WOSA/WO2017031529.pdf](https://patentscope.wipo.int/search/docservicepdf_pct/id00000036868043/WOSA/WO2017031529.pdf).

<sup>4</sup> According to World Intellectual Property Organisation records at <https://patentscope.wipo.int/search/en/detail.jsf?docId=WO2017031529&redirectedID=true>.