



Announcement Summary

Entity name

HAZER GROUP LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday October 13, 2020

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

| ASX +security code | +Security description | Maximum Number of +securities to be issued |
|---------------------------|------------------------------|---|
| n/a | Unsecured Convertible Notes | 4,000,000 |
| n/a | Unlisted Options | 2,250,000 |

Proposed +issue date

Thursday December 31, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

HAZER GROUP LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

40144044600

1.3 ASX issuer code

HZR

1.4 The announcement is

New announcement

1.5 Date of this announcement

Tuesday October 13, 2020

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

Yes

7A.1a Conditions

| Approval/Condition | Date for determination | Is the date estimated or actual? | ** Approval received/condition met? |
|---------------------------|--------------------------|---|-------------------------------------|
| +Security holder approval | Monday November 30, 2020 | <input checked="" type="checkbox"/> Estimated | |

Comments

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Unsecured Convertible Notes



+Security type

+Convertible debt securities

Number of +securities proposed to be issued

4,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

+Convertible debt securities details

These securities are:

Converting

Type of security

Convertible Bond

+Security currency

AUD - Australian Dollar

Face value

AUD 1.0000

Interest rate type

Zero coupon/no interest

Frequency of coupon/interest payments per year

No coupon/interest payments

s128F of the Income Tax Assessment Act status applicable to the +security

s128F exemption status unknown

Is the +security perpetual (ie. no maturity date)?

No

Maturity date

Wednesday December 31, 2025

Select other features applicable to the +security

Redeemable



Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)? **If yes, what is the first trigger date**
 Yes Friday December 31, 2021

Details of the type of +security that will be issued if the securities to be quoted are converted, transformed or exchanged

HZR : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities to be quoted are converted, transformed or exchanged

The maximum number of shares to be issued on conversion is 20,000,000 fully paid ordinary shares (ASX: HZR) at the conversion floor price of \$0.20 per note.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://hazergroup.com.au/wp-content/uploads/2020/10/201012-ASX-Release-Hazer-APV-Ventures-agree-investment-FI-NAL.pdf>

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
 New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
 No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
 No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted Options

+Security type

Options

Number of +securities proposed to be issued

2,250,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
 No



Please describe the consideration being provided for the +securities

Free attaching options that form part of the total investment package with the proposed \$4.0m convertible notes.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.00000001

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0000

Expiry date

Wednesday December 31, 2025

Details of the type of +security that will be issued if the option is exercised

HZR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

2,250,000 full paid ordinary shares (ASX: HZR)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://hazergroup.com.au/wp-content/uploads/2020/10/201012-ASX-Release-Hazer-APV-Ventures-agree-investment-FINAL.pdf>

Part 7C - Timetable

7C.1 Proposed +issue date

Thursday December 31, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Monday November 30, 2020



7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

No material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Construction of Hazer's Commercial Demonstration Plant, Continue the Graphite R&D Program, Business Development Activities; and Working Capital.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

The notes will be unsecured, have a term of five (5) years and will be convertible into ordinary Hazer shares at the 5-day volume weighted average price of Hazer shares at the time of conversion, or a floor price of \$0.20, whichever is higher. The conversion of the notes will be restricted such that no more than \$1.33 million of the notes may be converted in one notice and the notes may not be converted in the first 12 months following execution of definitive documents. The notes will carry 0% interest. Hazer will have the option to redeem the notes prior to their maturity and if this occurs, the holder may either (at its option) elect to convert or receive payment for those notes. Where the holder elects to receive payment for the redeemed notes, an interest rate of 8% will be applied to those notes accruing from the date of their issue and until repayment. The options will not be exercisable in the first 12 months following issue. Subject to receipt of any required approvals, including under the Foreign Acquisitions and Takeovers Act 1975 (Cth), a representative of the holder will be invited to join the Board of Hazer Group.

