

SHARE PURCHASE PLAN DOCUMENTATION

PERTH, AUSTRALIA; 8 NOVEMBER 2019: Hazer Group (ASX: HZR) (**Hazer** or the **Company**) confirms that the letter to shareholders and offer booklet attached to this announcement relating to the share purchase plan (SPP) announced to the ASX on 4 November 2019 has today been mailed to eligible shareholders, along with personalised application forms.

Under the SPP, eligible shareholders are invited to subscribe for up to A\$30,000 worth of fully paid ordinary shares in the Company (subject to scale back) at a subscription price of A\$0.385 per share. The SPP is capped at a maximum of \$3 million or 7,792,208 shares.

The SPP is only being offered to eligible shareholders who were the registered holders of fully paid ordinary shares in the Company as at 4 p.m. (AWST) on 1 November 2019 (Record Date), and whose address in the Company's register is in Australia or New Zealand.

For further information please contact:

Emma Waldon
Company Secretary
ewaldon@hazergroup.com.au
+61 8 6230 2259

[ENDS]

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 methane 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.

Subscribe to HAZER NEWS ALERTS - visit our website at www.hazergroup.com.au and subscribe to receive HAZER NEWS ALERTS, our email alert service. HAZER NEWS ALERTS is the fastest way to receive breaking news about @hazergroupltd.



8 November 2019

Level 9, 99 St Georges Terrace
Perth WA 6000

PO Box Z5511
St Georges Terrace
Perth WA 6831

[e contact@hazergroup.com.au](mailto:contact@hazergroup.com.au)

[t +61 8 6230 2259](tel:+61862302259)

Dear Shareholder

Invitation to participate in Share Purchase Plan

Hazer Group Limited (Company) is pleased to offer you the opportunity to increase your investment in the Company by participating in a Share Purchase Plan (**Plan**).

Proceeds raised through the Plan will principally be used to support development of the Commercial Demonstration Plant, the first fully integrated, operational production facility based on the Hazer Process, continue Hazer's ongoing research and development program into applications for our graphite advanced carbon material (including the recently announced partnership with the Innovative Manufacturing Co-operative Research Centre), progress business development activities to identify commercial partnerships and opportunities, and general working capital.

The Plan is offered exclusively to all shareholders whose registered address as recorded in the Company's share register is in Australia or New Zealand at 4:00pm (AWST) on **1 November 2019 (Record Date)**.

It provides shareholders with an opportunity to buy a parcel of new ordinary fully paid shares in the Company with no brokerage or commission costs, irrespective of the size of their shareholding, up to a maximum value of \$30,000 (subject to scale back by the Company).

The issue price of each share under the Plan is \$0.385, which represents a 19% discount to the closing price of the Company's shares on the ASX on the Record Date and a discount of 18% to the volume weighted average market price of the Shares in the Company on the ASX trading during the previous five trading days prior to 4 November 2019 (being the date on which the Plan was announced by the Company on the ASX).

The market price of shares in the Company may rise or fall between the date of this offer and the date that new shares are issued to you under the Plan.

The Plan will be capped at a maximum of \$3 million or 7,792,208 shares and will not be underwritten.

Participation in the Plan is optional and the right to participate is not transferable. The directors of the Company reserve the right in their absolute discretion to reject or scale back any application.

The offer to participate in the Plan closes at **4:00pm (AWST) on 29 November 2019**.

Full details on the Plan and how to participate are contained in the documents attached. To apply for a parcel of shares, please read these documents carefully and follow the instructions on the enclosed personalised application form. You should consider seeking independent professional and financial advice if you have any queries.

Your continuing support as a shareholder of the Company is appreciated.

Yours faithfully



Tim Goldsmith
Chairman

For personal use only

Hazer Group Limited

Share Purchase Plan

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document, or the action you should take, you should consult your financial or other professional adviser without delay who specialises in advising on the acquisition of shares and other securities before taking any action.

The market price of ordinary shares in the Company may rise or fall between the date of this document and the date the New Shares (as this term is defined in this document) are issued to you. This means that up to, or after, the date on which the New Shares are issued to you, you may be able to buy ordinary shares in the Company in the market at a lower price than the price offered to you under this Plan. The Company and its board of directors do not offer any recommendation or advice regarding participation in the Plan.

Application will be made for the New Shares in Hazer Group Limited (**Hazer** or the **Company**) to be quoted on the Australian Securities Exchange (**ASX**).

No action has been taken to permit the offer of New Shares under this document in any jurisdiction other than Australia or New Zealand.

This document does not constitute an offer to sell, or solicitation of an offer to buy, shares in any jurisdiction in which such offer or solicitation is unlawful. The distribution of this document in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any other jurisdiction.

The New Shares have not been and will not be registered under applicable securities laws of any jurisdiction other than Australia or New Zealand, and they may not, subject to certain exceptions, be offered or sold directly or indirectly within certain jurisdictions, including without limitation, Canada, Japan, the Republic of Ireland, the Republic of South Africa, the United Kingdom or the United States or to, or for the account or benefit of any national, citizen or resident of Canada, Japan, the Republic of Ireland, the Republic of South Africa, the United Kingdom or the United States.

The information in this document is not a recommendation to accept the Offer of New Shares under the Plan and does not constitute financial advice. Any person who intends to subscribe for New Shares must conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations and that assessment and analysis.

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Terms and Conditions

Offer

1. Under this share purchase plan (**Plan**), Eligible Shareholders (defined below) have the opportunity to participate by subscribing for up to \$30,000 (**Maximum Amount**) of new fully paid ordinary shares in the capital of Hazer (**New Shares**) (subject to any scale back at the Company's absolute discretion) without incurring brokerage and subject to the following Terms and Conditions (**Offer**).
2. All New Shares issued under this Offer will rank equally with existing ordinary Company shares from the date of issue, and carry the same voting rights, dividend rights and other entitlements as existing shares. By accepting this Offer you agree to be bound by the Terms and Conditions of the Offer and the Constitution of the Company.
3. All references to "\$" or "dollars" in these Terms and Conditions are to Australian dollars.

Key Dates

4.

Record Date:	4 p.m. (AWST) on 1 November 2019
Offer Date:	8 November 2019
Closing Date:	29 November 2019
Issue of New Shares:	5 December 2019
Despatch date for holding statements	6 December 2019
Quotation of New Shares on ASX:	6 December 2019
5. The Company reserves the right to vary the timetable for the Offer at its discretion, including the Closing Date of the Offer, even if the Offer has opened or applications have been received.

Size and underwriting

6. The maximum amount that may be raised by the Plan has been set by the board of the Company at **\$3,000,000**. Therefore the maximum total number of New Shares that may be issued under the Plan will be **7,792,208**. The Offer is not underwritten.

Eligible Shareholders

7. You are eligible to participate in this Plan if your registered address, as recorded in the Company's register of shareholders (**Register**), is in Australia or New Zealand as at 4 p.m. (AWST) on 1 November 2019 (**Eligible Shareholder**), unless you hold shares on behalf of a person who resides outside Australia or New Zealand (in which case you will not be eligible to participate in respect of the shares of that person). Further, you are not eligible if you are a "U.S. person" (as defined in Regulation S under the US Securities Act of 1933, as amended) (**US Person**) or are acting for the account or benefit of a US Person.
8. The Company has determined that it is not practical for holders of shares with addresses on the share register in jurisdictions other than Australia and New Zealand to participate in this Plan.
9. Eligible Shareholders can only apply for New Shares up to the Maximum Amount under this Plan. The Company has the absolute discretion to scale back applications as set out in paragraph 38.

Custodian

10. Eligible Shareholders who hold the Company's shares as a custodian, depositary, trustee or nominee (**Custodian**) may participate on behalf of each beneficiary on whose behalf the Custodian is holding the Company's shares, subject to providing us with a certificate in accordance with paragraph 46.d.
11. To the extent that a Custodian holds the Company's shares on behalf of a beneficiary resident outside Australia and New Zealand, it is the responsibility of the Custodian to ensure that any acceptance complies with all applicable foreign laws.

Joint holders/joint beneficiaries

12. If two or more persons are registered on the Register as jointly holding the Company's shares, they are taken to be a single registered holder of the Company's shares and a certification given by any of them is taken to be a certification given by all of them.

Application procedure for New Shares

13. If you wish to apply for New Shares under this Plan, you must either:
- Provided you are not a Custodian, pay by BPAY, using an Australian bank account, in accordance with the instructions on the Application Form to ensure cleared funds are received by the Closing Date. If paying by BPAY you do not need to return the Application Form; or
 - Complete the enclosed Application Form and forward it with a cheque, bank draft or money order to Hazer Group Limited drawn on an Australian bank and in Australian dollars for the correct amount in accordance with the instructions on the Application Form.

14. Where you are paying by cheque, bank draft or money order, the completed Application Form, together with the cheque, bank draft or money order must be returned to the Company's share registry:

Link Market Services (Share Registry) no later than 4 p.m. (AWST) on 29 November 2019.

NOTE:

By using the BPAY facility to apply for New Shares, you represent that the total of the application price for the following does not exceed \$30,000:

- the New Shares you are applying for;
- any other shares you are applying for under this Plan, or shares or interests in the class issued under a similar arrangement in the 12 months before this application;
- any other shares or interests in the class which you have instructed a Custodian to acquire on your behalf under this Plan; and
- any other shares or interests in the class issued to a Custodian under an arrangement similar to this Plan in the 12 months before this application as a result of you instructing the Custodian or another Custodian which resulted in you holding a beneficial interest in the shares or interests.

Payment by BPAY may not be processed and may be invalid if it has not been received by the Company by 4 p.m. (AWST) on 29 November 2019. You should be aware that the BPAY system closes at 5.00pm (EST) and your financial institution may implement earlier cut-off times with regard to electronic payment. You should therefore take this into consideration when making payment.

15. Late applications will only be accepted at the discretion of the directors. In addition the directors reserve the right to extend the Closing Date (at their sole discretion).
16. In determining whether you wish to participate in this Offer you should seek personal financial and/or taxation advice referable to your own circumstances.
17. Do not forward cash. Cheques, bank drafts and money orders should be made payable to Hazer Group Limited. Receipts for payment will not be issued.
18. You must pay the exact application monies in Australian dollars. Any application money received in excess of the amount required for the number of New Shares you successfully apply for will be refunded to you without interest.
19. The Company reserves the right to reject any application for New Shares under this Plan, including any that it believes do not comply with these Terms and Conditions, ASIC policy or the ASX Listing Rules.

Issue price

20. The issue price for New Shares is **\$0.385**. This reflects a discount:
- of 19% to the closing price of the Company's shares on the ASX on **1 November 2019** (being the latest practicable date prior to the date of this document); and
 - of 18% to the volume weighted average market price of the Shares in the Company on the ASX trading during the previous five trading days prior to 4 November 2019 (being the date on which the Plan was announced by the Company on the ASX).
21. **The Company's share price may rise or fall between the date of this Offer and the date when New Shares are allotted and issued to you under this Plan. This means that the price you pay per New Share pursuant to this Offer may be either higher or lower than the Company's share price at the time of the Offer or at the time the New Shares are issued and allotted to you under this Plan.**
22. Eligible Shareholders may apply for up to the Maximum Amount of New Shares under this Plan. Eligible Shareholders can apply for New Shares under this Plan in increments of \$1,000 up to \$30,000. Applications for New Shares under this Plan must be for a minimum of \$1,000. On the basis of the issue price of New Shares available under this Plan 2,597 Shares will cost \$1,000 and 77,922 New Shares will cost \$30,000.

23. The number of New Shares which Eligible Shareholders will be entitled to will be calculated by the following formula, rounded down to the nearest whole number:

$$a = \frac{b}{c},$$

Where:

a = the number of New Shares to be issued;

b = the relevant subscription amount; and

c = the issue price

24. No fraction of a New Share will be issued. As set out in paragraph 23, the number of New Shares will be rounded down to the nearest whole number and any residual balance of your application monies will form part of the assets of the Company or (in the event of a scale back) will be returned to you along with the refund you receive from the scale back.

Participation is optional

25. Participation in this Plan is entirely optional (subject to the eligibility criteria set out in these Terms and Conditions). The Offer to acquire New Shares is not a recommendation.
26. If you do not wish to accept this Offer, you do not need to take any action.
27. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept this Offer.

Issue date

28. The New Shares will be issued on or around 5 December 2019 or as soon as possible after that date.
29. Allotment confirmations will be despatched on or around the date of issue of the New Shares.

No transfer

30. This Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase New Shares under this Plan to a third party.

Brokerage and transaction costs

31. No brokerage or other transaction costs will apply to the acquisition of New Shares under this Plan. The only cost to you is the issue price of the New Shares.

Quotation

32. The Company will apply for New Shares issued under this Plan to be quoted on the ASX, within the period prescribed by the ASX Listing Rules.

33. The Company participates in the Clearing House Electronic Subregister System, known as CHESS (operated by ASX Settlement Pty Ltd (a wholly owned subsidiary of ASX)) (**ASXS**), in accordance with the ASX Listing Rules and the ASXS Operating Rules. Under CHESS, you will not receive a certificate but will receive a statement of your holding of Shares. If you are broker sponsored, ASXS will send you a CHESS statement. The CHESS statement will set out the number of Shares issued under the Plan, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares. If you are registered on the issuer sponsored subregister, your statement will be dispatched by **Link Market Services** and will contain the number of New Shares issued to you under the Plan and your security holder reference number.

ASIC Relief and ASX Listing Rules compliance

34. The Offer of New Shares under this Plan is made in accordance with ASIC Relief Instrument ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Relief Instrument 2019/547**) which grants relief from the requirement to prepare a prospectus for this Offer of New Shares, and the ASX Listing Rules.

Notice to New Zealand shareholders

35. The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the Offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).
36. This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

No offer in the United States

37. If you apply to participate in the Plan, you acknowledge and agree that:
- The New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or any other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand;
 - The New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
 - You must not send copies of these Terms and Conditions or any other material relating to the Plan to any person in the United States or any person who is, or is acting for the account or benefit of, a US Person;
 - You must not submit an Application Form or make payment by BPAY for any person resident in the United States or elsewhere outside Australia and New Zealand or who, or is acting for the benefit of, a US Person; and
 - If you do not comply with these restrictions, it may result in violations of applicable securities laws.

Scale back of Offer

38. The Company may in its absolute discretion allocate to you less than the number of New Shares you have applied for. The Company expects to exercise this discretion if applications for New Shares under the Plan in aggregate exceed \$3,000,000 of the number of ordinary shares in the Company currently on issue.
39. If there is a scale back, any excess application money will be refunded to you without interest.
40. The directors reserve the right (in their absolute discretion) to refuse an application (in whole or in part) (and if an application is refused in whole or in part, the application monies will be returned to the applicant in full without interest and the applicant's sole risk) if they consider that:
- it is reasonable and prudent to do so;
 - the applicant is not an Eligible Shareholder;
 - the issue of those Shares may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act 2001 (Cwlth) or the ASX Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or
 - the applicant has not otherwise complied with these Terms and Conditions.
41. Decisions made about a scale back or refusal of an application by the directors shall be final.

Variation and termination

42. The Company reserves the right to amend or vary these Terms and Conditions and to suspend or terminate this Plan at any time.
43. Failure to notify shareholders of a change to or termination of this Plan or the non-receipt of notice will not invalidate the change or termination.
44. In the event that this Plan is terminated prior to the issue of New Shares, all application monies will be refunded. No interest will be paid on any monies returned to you.
45. If the Company changes, suspends or terminates this Plan, it will advise ASX.

Acknowledgements

46. If you apply to participate in the Plan:
- a. You agree that once you have sent in your application or made your BPAY payment, you cannot withdraw or cancel your application and your application is irrevocable and unconditional;
 - b. You confirm that you are an Eligible Shareholder and that you are lawfully permitted to accept the Offer under the Plan and participate in the Plan in accordance with these Terms and Conditions and any applicable laws and specifically that you are not a US Person or acting for the account or benefit of a US Person;
 - c. You certify that, even if you have received more than one Offer under the Plan or received offers in more than one capacity, the aggregate application money paid by you in any capacity (except as a Custodian) for:
 - (a) the New Shares the subject of the application form or the BPAY payment; and
 - (b) any other shares issued to you, or to a Custodian on your behalf and at your instruction, under the Plan or any similar arrangement operated by the Company in the 12 months before the date we received your application,is not more than the Maximum Amount;
 - d. If you are a Custodian holding the Company's shares on behalf of other persons and applying for New Shares with a total application price exceeding the Maximum Amount you agree to certify to us in writing the matters required by ASIC Relief Instrument 2019/547 condition 8(3), in accordance with the Custodian certificate, a copy of which can be obtained from the Share Registry;
 - e. You agree to these Terms and Conditions and you agree not to do anything which would be contrary to the spirit, intention or purpose of the Plan;
 - f. You agree to be bound by the constitution of the Company;
 - g. You authorise the Company (and its offers or agents) to correct any error or omission in your application form and to complete the application form by inserting missing details if we elect to do so;
 - h. You agree that the Company may determine that your application form is valid in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;
 - i. You agree that your application is only effective when received by us and not when posted;
 - j. You accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on the Company's register;
 - k. You are responsible for any dishonour fees or other costs which the Company may incur if your cheque for payment is dishonoured;
 - l. You agree that if there is a rounding down of the number of New Shares and no scale back, any remaining balance of your payment after your allotment will form part of the assets of the Company and will not be refunded;
 - m. You acknowledge that no interest will be paid on any application money held pending the allotment of New Shares or subsequently refunded to you for any reason;
 - n. You agree that if you have previously provided the Company or the share registry with bank account details for the purposes of direct credit of dividends, any refund to be paid to you under these Terms and Conditions may be directed to that nominated account;
 - o. You agree that the Company and the share registry have not provided you with investment or financial product advice, and that they have no obligation to provide advice to you about your decision to apply for and buy New Shares; and
 - p. You agree that the Company is not liable for any exercise of its discretions referred to in these Terms and Conditions.

Governing law

47. These Terms and Conditions are governed by the laws in force in Western Australia.