Hazer Group Limited (ACN 144 044 600)
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APPENDIX 4C – 31 DECEMBER 2025
QUARTERLY ACTIVITIES & CASHFLOW REPORT

PERTH, AUSTRALIA; 22 January 2026: Hazer Group Ltd ("Hazer" or "the Company") (ASX: HZR) lodges the following activity update and attached Appendix 4C Quarterly Cashflow Report for the three-month period ended 31 December 2025 ("Quarter").

Highlights for the Quarter:

- *KBR commenced active global promotion of the Hazer Technology, targeting energy, ammonia, methanol, refining and industrial markets, while advancing large-scale commercial plant design.*
- *First Hazer-KBR alliance deal secured, with the UK government backed EnergyPathways MESH project delivering the first revenue generating outcome under the alliance.*
- *Hazer technology selected for Whyalla clean steel bid in collaboration with M Resources, positioning Hazer as a key clean hydrogen enabler for a low-carbon steelmaking hub in South Australia.*
- *POSCO partnership extended, advancing integration of Hazer Technology into low-carbon steelmaking pathway in Korea following successful graphite testing results.*
- *Hazer graphite market development progressed, with testing indicating suitability in cement and other industrial applications seeking emissions reducing solutions.*
- *Robust funding position of A$17.2 million, strengthened by A$4.6 million FY25 R&D refund and A$1.1 million capital raise proceeds (post-AGM) received during the Quarter.*
- *Extensive government engagement strengthened alignment with decarbonisation funding programs and increased recognition of methane pyrolysis as a viable low-emissions hydrogen pathway.*
- *CEO Glenn Corrie and other members of the management team will host a Webinar on Wednesday, 28 January 2026 at 8:00am (AWST) / 11:00am (AEDT). Details and registration link provided below.*

Hazer Managing Director Glenn Corrie said: *"This Quarter reflects the transition Hazer is making from technology development to commercial delivery. With world-class partners in place and growing engagement across key industrial sectors, the Company is increasingly focused on progressing opportunities through to execution and revenue-generating outcomes.*

Low-carbon steelmaking is emerging as a particularly compelling opportunity where the combination of clean hydrogen and high-purity graphite creates strong alignment with the needs of steel producers seeking to materially reduce emissions while maintaining competitiveness.

I am encouraged by recent engagements with Federal and State Governments who have signalled strong support for Hazer technology as an Australian "home-grown" decarbonisation solution. Proposed amendments to the Australian Federal Government's Guarantee of Origin Scheme to explicitly recognise hydrogen produced via methane pyrolysis represent a meaningful step forward, providing greater regulatory recognition, certification certainty and a clearer pathway for the commercial deployment of Hazer's technology.

Entering 2026, Hazer is positioned for a pivotal year, supported by a strong funding position, world-class partners and a rapidly expanding pipeline of opportunities that underpin the Company's next phase of commercialisation."

Key activities undertaken during the Quarter are outlined below:

KBR Commences Global Marketing and Advances Commercial Scale-up Plant Design

The strategic alliance between Hazer and Kellogg Brown and Root LLC ("KBR") has achieved significant milestones this Quarter, with the Hazer Process now positioned within KBR's Net Zero and Sustainable Future portfolio. The joint team is undertaking a major Process Design Package ("PDP") milestone, selecting key equipment components that underpin large-scale feasibility assessments. The PDP remains on track for completion in early 2026, supporting the commercial scale-up of Hazer technology and providing a foundation for detailed customer engagement and project feasibility studies.

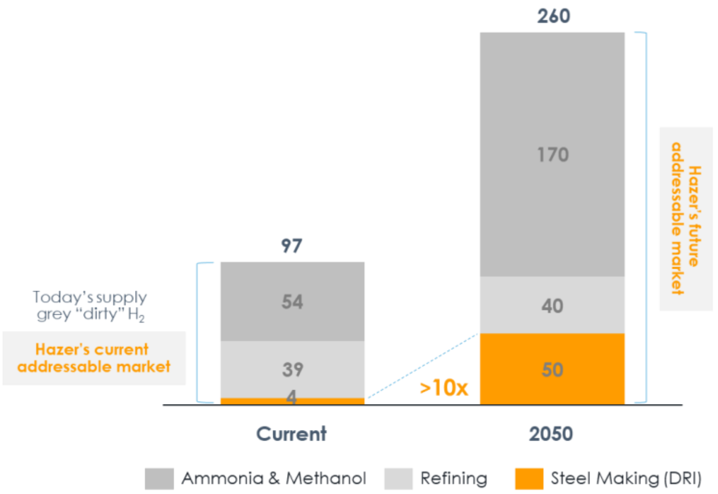
A global marketing and licensing campaign is underway, led by KBR's sales team, targeting customers across the ammonia and methanol sectors. Promotional materials highlight the cost-competitive and scalable nature of the Hazer Process as a clean hydrogen solution. The alliance is actively engaging with a diverse range of prospective customers across energy, chemicals, steelmaking, and other sectors, with multiple discussions progressing. The Hazer Process is being integrated into KBR's clean ammonia and hydrogen product lines, offering a methane pyrolysis pathway to clean hydrogen with minimal CO_2 emissions and valuable graphite by-product, positioning the technology as a practical decarbonisation solution for both existing and new infrastructure.

Market outlook remains strong, with global low-carbon hydrogen demand forecast to grow significantly by 2050, driven by ammonia, methanol, refining, and steelmaking[1]. The alliance is positioning to capitalise on the accelerating investment in clean ammonia and methanol production, particularly as these sectors are recognised as preferred clean fuels for marine transport and future power generation. Hazer continues to focus on delivering licensing outcomes, building a robust pipeline of industrial-scale projects, and supporting global decarbonisation efforts through the commercialisation of its advanced technology.

Hazer Strongly Positioned as Key Enabler of Low-Carbon Steel Manufacturing

Hydrogen (and graphite) are emerging as pivotal enablers of low-carbon steelmaking, particularly in the Direct Reduction Process ("DRP") paired with Electric Arc Furnaces ("EAFs"). Hydrogen is increasingly being viewed as a replacement for natural gas or coal as the reductant in the DRP, converting iron ore pellets to metallic iron while producing only water vapour, dramatically cutting Scope 1 emissions. In parallel, high-purity synthetic graphite plays an important role in EAF operations, where it serves as a carburiser in the production of low carbon emissions steel. By 2060, the iron and steel industry will represent the largest increase of hydrogen demand in the manufacturing sector, with approximately 80% of this demand expected to support low emissions steel production using the DRI process - representing growth of over 10 times in the next 35 years[2].

Global Hydrogen Demand Outlook[3]



[1] International Energy Agency (IEA) - Global Hydrogen Review 2025 (https://www.iea.org/reports/global-hydrogen-review-2025)
[2] DNV Energy Transition Outlook 2025 – a global and regional forecast (Hard to Abate Sectors – Hydrogen)
[3] Sources for all numbers: IEA - Global Hydrogen Review (2022 / 2024); DNV - Hydrogen Forecast to 2050 (2022); IRENA and Methanol Institute – Renewable Methanol (2021)

Hazer, in conjunction with KBR, collaborates with M Resources on Whyalla bid

As announced on 12 December 2025, Hazer has entered a binding Memorandum of Understanding ("MOU") with M Resources, a leading global commodity supply group that is pursuing the acquisition of One Steel Manufacturing Pty Ltd ("OSM"), the owner of the Whyalla steelworks. Under the MOU, Hazer's proprietary methane pyrolysis technology, supported by KBR, will provide clean low emissions hydrogen on a mutually exclusive basis for inclusion in M Resources' proposal for Whyalla, significantly strengthening the vision for a revitalised, low carbon emissions steelmaking hub in South Australia.

The Whyalla steel works, a long-standing pillar of Australia's iron ore and steel industry, is currently being offered for sale by its Administrator, KordaMentha, through a process managed by 333 Capital. M Resources has submitted a proposal that prioritises an economically viable long-term industrial renewal, with a strong emphasis on carbon abatement and emission reduction. Both the clean hydrogen and high-value graphite produced by the Hazer Process technology are intended to be utilised, playing a critical enabling role in the establishment of a low-carbon emissions steel manufacturing precinct at Whyalla.

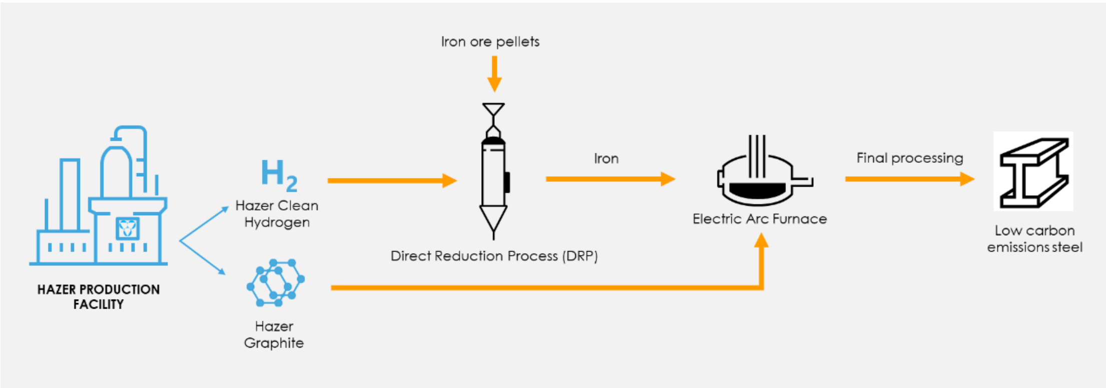


Figure 1: Hazer Technology integration into a simplified representation of a low carbon emissions steelmaking process

Under the MOU, the parties have agreed to collaborate exclusively on the integration of the Hazer Process within the facilities at Whyalla. This includes incorporating Hazer's clean hydrogen into the DRP, where hydrogen replaces natural gas to reduce iron ore pellets. In addition, Hazer Graphite will be used in the EAF to produce steel. The planned Hazer facility is expected to target large-scale commercial hydrogen production, with additional synergies coming from the use of an iron-ore catalyst in the Hazer Process.

Hazer will leverage its strategic alliance with KBR, who has a long-standing presence in South Australia, further strengthened by their recent selection by the Australian Government as the concept design partner for new nuclear-submarine construction yard being developed under the AUKUS partnership.

Hazer and POSCO extend partnership to deliver green steel in Korea

As announced on 3 December 2025, Hazer has extended its existing non-binding MOU with POSCO Steel ("POSCO") for a further two-year term. The extension progresses the collaborative work underway since the original MOU was signed on 31 May 2024 and sets out next phase of work in preparing a project pathway for the integration of Hazer's technology into POSCO's proprietary low carbon steel process. POSCO, based in Pohang South Korea, is one of the world's largest steel makers and has announced its plan to achieve carbon neutrality by 2050.

The extension follows a successful period of initial collaboration between the parties, including testing undertaken by POSCO of Hazer's low emissions graphite across a range of potential applications within steel making and in broader industrial sectors. Initial results have been encouraging, and the testing program is continuing to further assess performance across additional use cases.

Steelmaking is a highly carbon-intensive industry, responsible for more than 8% of global CO_2 emissions[4]. Hazer's technology offers a compelling pathway to decarbonise steel manufacturing through the co-production of low-cost, clean hydrogen and high-purity graphite, using iron ore as a process catalyst. Hazer continues to engage with leading global steelmakers on the application of both hydrogen and graphite within blast furnace operations and in Direct Reduced Iron ("DRI") / EAF steelmaking pathways, assessing multiple opportunities to reduce emissions intensity across these process routes.

Commercial Projects & Business Development Activities Accelerate

Hazer continues to advance existing commercial projects and engage numerous potential customers and strategic partners, with a focus on hard-to-abate sectors, particularly in Australia, North America and Asia. During the Quarter, Hazer executed several arrangements that progressed the Company's technology commercialisation objectives.

Hazer and KBR secure paid engineering study with EnergyPathways UK project

As announced on 13 November 2025, Hazer and KBR entered a binding agreement with UK based EnergyPathways plc ("EPP") to deliver a paid concept engineering study for the development of a Hazer-licensed hydrogen and graphite production facility in England. The proposed facilities, include a Hazer plant with an indicative hydrogen production capacity of 20,000 tonnes per annum, will form part of EPP's Marram Energy Storage Hub ("MESH") project in northwest England. The UK Government has recognised this project as nationally significant under the Planning Act 2008[5].

The concept engineering study is revenue generating for Hazer and represents the first commercial project under the Hazer–KBR Alliance (refer announcement 5 May 2025), delivering the Company's commercialisation strategy of generating income through technology licensing and engineering services, with completion anticipated in 2026 in line with EPP's project timeline.

Hazer Graphite Application Development Progress

Hazer continues to advance the commercialisation of graphite produced via the Hazer Process, with strategic collaborations underway involving Mitsui, Veolia, First Graphene, and partners in the steelmaking sector. These partnerships are focused on evaluating Hazer graphite as a drop-in replacement for incumbent materials across high-volume applications including steelmaking, cement, asphalt and rubber. The Company's approach is to target established markets where minimal post-treatment is required, supporting rapid entry and maximising market absorption potential.

Application testing is ongoing across multiple sectors, with early results indicating that Hazer graphite's characteristics are well-suited for use as a functional filler in cement as well as a carbon additive in steelmaking. These sectors represent significant opportunities for large-scale deployment given their capacity to absorb substantial volumes of graphite. The Company is also exploring additional uses in water treatment, further diversifying its potential end-markets.

Collaborative trials are progressing with each partner contributing expertise in market development, technical validation, and supply chain integration. In steelmaking, Hazer graphite is being assessed as a direct substitute for traditional carbon sources. In the construction sector, the material is being tested as an additive and reinforcing agent, with promising initial feedback from industry partners.

Government Engagement & Policy Shift

Government relations continued to build during the Quarter with direct engagements at both Federal and State level, resulting in closer alignment with key decarbonisation funding programs and policy frameworks.

[4] When including direct and indirect CO2 emissions - reference: IEA (2020), Iron and Steel Technology Roadmap, IEA, Paris https://www.iea.org/reports/iron-and-steel-technology-roadmap
[5] https://energypathways.uk/announcements/7171796

In October 2025, the Board and Management of the Australian Renewable Energy Agency ("ARENA") visited the Company's Commercial Demonstration Plant ("CDP") in Perth to discuss Hazer's scalable, low-cost, low-emissions decarbonisation technology, and its applicability to steelmaking, liquid fuels and other hard-to-abate Australian industries.

Figure 2: ARENA representatives touring Hazer's CDP

During the Quarter, Hazer's Managing Director visited Canberra to meet with key Ministers, their offices and other relevant government departments - including the Climate Change Authority and the Critical Minerals Office. Discussions included current policy frameworks and the range of funding mechanisms spanning hydrogen, clean energy, industrial decarbonisation and critical minerals.

The Company notes that Australian Government policy settings continue to evolve following the observed challenges of commercialising "green" hydrogen and the increasing recognition of alternative low-cost, low-emissions hydrogen pathways, including methane pyrolysis as a viable, low-cost solution.

In line with this, the Federal Government has proposed amendment to the Guarantee of Origin Scheme ("GO Scheme") to explicitly recognise hydrogen produced from pyrolysis. The GO Scheme is a Federal Government framework that certifies hydrogen is produced from low-emissions sources providing transparency and originating market surety for customers. Hazer views these proposed amendments as a positive and significant development for the Australian hydrogen industry, providing regulatory clarity and potential market opportunities for Hazer technology as a "ready-now" and scalable pathway.

Corporate Update

On 18 November 2025, Hazer held its Annual General Meeting ("AGM") where the Chairman's Address and CEO Presentation were presented. All resolutions detailed in the Company's Notice of AGM dated 18 November 2025 were passed by poll (refer announcement 18 November 2025).

The Company enhanced its robust funding position to A$17.2 million, comprising $14.8 million of cash and cash equivalents as of 31 December 2025 and $2.4 million of further grant funding from WA Government's Department of Energy and Economic Diversification (DEED) which has yet to be earned.

During the Quarter, the Company recorded net operating cash inflows of $2.2 million; including receipt of the

Company's FY2025 Research and Development ("R&D") tax incentive refund of $4.6 million (refer announcement 16 October 2025). Operating expenditures were lower quarter on quarter reflecting the Company's low operating cost base, with CDP remaining in standby mode as the Company focuses on commercialisation activities and advancing technology scale-up and licensing activity with KBR.

The Company's cash flows from financing activities of $1.1 million reflect the collection of the second tranche proceeds of $1,067,999.75 following shareholder approval at the Company's AGM.

The Company advises that $0.21 million was paid to related parties during the Quarter (see section 6 of the attached Appendix 4C). These payments relate to salaries, fees and superannuation paid to Directors and the CEO during the Quarter.

Corporate Access

Hazer Group December Quarter Investor Webinar

Glenn Corrie, and other members of the management team will host a webinar to discuss the December Quarterly Report followed by a Q&A session. If you would like to join, please click on the link below to register:

Date:	**Wednesday, 28 January 2026**
Time:	**8:00am (AWST) / 11:00am (AEDT)**
Registration:	**https://us02web.zoom.us/webinar/register/WN_aHf99FcBTuSDb7r_3oyqFw**

To submit questions ahead of time, please send them to: spitaro@nwrcommunications.com.au

[ENDS]

This announcement is authorised for release by the Board of the Company.

For further information or investor enquiries, please contact:

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ABOUT HAZER GROUP LTD

Hazer Group is an Australian technology company, driving global decarbonisation efforts with the commercialisation of the Company's disruptive world-leading climate-tech. Hazer's advanced technology enables the production of clean and economically competitive hydrogen and high-quality graphite, using a natural gas (or biogas) feedstock and iron-ore as the 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 X (Twitter) (@hazergroupltd), LinkedIn, Facebook, 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.

Forward-looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts but are based on the Company's current expectations about future events and results.

Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties, assumptions, and other factors, which could cause actual results to differ materially to futures results expressed, projected, or implied by such forward looking statements.

The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statements" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under the applicable securities laws.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

HAZER GROUP LIMITED

ABN	**Quarter ended ("current quarter")**
40 144 044 600	31 DECEMBER 2025

	Consolidated statement of cash flows	**Current quarter $ A'000**	**Year to date (6 months) $ A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	16	19
1.2	Payments for		
	(a) research and development[1]	(433)	(1,272)
	(b) product manufacturing and operating costs		
	(c) advertising and marketing		
	(d) leased assets		
	(e) staff costs, including research and development staff	(1,487)	(3,324)
	(f) administration and corporate costs	(734)	(1,443)
1.3	Dividends received (see note 3)		
1.4	Interest received	114	215
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
	- R&D tax rebate	4,580	4,580
	- JTSI Lower Carbon Grant – Gorgon Fund	-	-
1.8	Other (provide details if material)		
	- Net GST received / (paid)	176	185
	- Security deposits received / (paid)		
1.9	**Net cash from / (used in) operating activities**	**2,232**	**(1,040)**

[1] Research and development expenditure in 1.2 (a) is expected to be eligible for the R&D tax incentive rebate.

Consolidated statement of cash flows		Current quarter $ A'000	Year to date (6 months) $ A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment[2]	(87)	(157)
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(87)**	**(157)**

[2] Expenditure in 2.1(c) relates primarily to the CDP development of the next scaled up reactor type and R&D program. This expenditure is expected to be eligible for the R&D tax incentive rebate.

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares (excluding convertible debt securities)	1,068	3,684
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(183)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**1,068**	**3,501**

	Consolidated statement of cash flows	Current quarter $ A'000	Year to date (6 months) $ A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at the beginning of the period	11,625	12,534
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,232	(1,040)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(87)	(157)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,068	3,501
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	**Cash and cash equivalents at the end of the period**	**14,838**	**14,838**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $ A'000**	**Previous quarter $ A'000**
5.1	Bank balances	13,422	10,008
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
	- Deposits for bank guarantees	121	333
	- Restricted cash (ARENA grant)	1,295	1,284
5.5	**Cash and cash equivalents at the end of the quarter (should equal item 4.6 above)**	**14,838**	**11,625**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1[3]	212
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

[3] Salary, Director's fees and superannuation paid to Directors A$(212k).

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $ A'000**	**Amount drawn at quarter end $ A'000**
7.1	Loan facilities	0	0
7.2	Credit standby arrangements	0	0
7.3	Other – convertible notes issued	0	0
7.4	**Total financing facilities**	**0**	**0**

7.5	**Unused financing facilities available at quarter-end**	0

7.6 Include in the box below a description of each Facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter-end, include a note providing details of those facilities as well.

No financing facilities have been entered into or are proposed at this time.

8.	**Estimated cash available for future operating activities**	**$ A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	2,232
8.2	Cash and cash equivalents at quarter-end (Item 4.6)	14,838
8.3	Unused finance facilities available at quarter-end (Item 7.5)	0
8.4	Total available funding (Item 8.2 + Item 8.3)	14,838
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)** [4]	**N/A**

[4] Entity reported positive net operating cash flows in item 1.9 due to receipt in the current quarter of Company's FY25 R&D tax refund. Estimated quarters of funding available after adjusting for this item would be 6.32.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 22 January 2026

Authorised by: The Board of the Company
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g. Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.