Hazer Group Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Hazer Group Limited
ABN:	40 144 044 600
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

2. Results for announcement to the market

				$
Revenues from ordinary activities	down	37%	to	1,471,060
Loss from ordinary activities after tax attributable to the owners of Hazer Group Limited	down	19%	to	(5,045,120)
Loss for the half-year attributable to the owners of Hazer Group Limited	down	19%	to	(5,045,120)

	31 Dec 2025 Cents	31 Dec 2024 Cents
Basic and diluted loss per share	(1.93)	(2.69)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $5,045,120 (31 December 2024: $6,191,528).

Refer to the company announcement on 24 February 2026 regarding the results for further information.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	5.06	5.43

4. Control gained over entities

Name of entities (or group of entities)	Hazer Graphite Pte. Ltd.
Date control gained	7th November 2025

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to review by the auditors, and the review report is attached as part of the Interim Report.

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8. Attachments

Details of attachments (if any):

The Interim Report of Hazer Group Limited for the half-year ended 31 December 2025 is attached.

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9. Signed

Signed ______________________________ Date: 24 February 2026

Tim Goldsmith
Chairman

Hazer Group Limited

ABN 40 144 044 600

Interim Report – 31 December 2025

Hazer Group Limited
Corporate directory
For the half-year ended 31 December 2025

Directors	Tim Goldsmith (Non-Executive Chairman) Danielle Lee (Non-Executive Director) Andrew Hinkly (Non-Executive Director) Jack Hamilton (Non-Executive Director) Glenn Corrie (Executive Director)
Company secretary	Joan Dabon
Registered office	Level 9, 99 St Georges Terrace Perth WA 6000
Principal place of business	Level 9, 99 St Georges Terrace Perth WA 6000
Share register	Automic Group Limited Level 5/191 St Georges Terrace Perth, WA 6000
Auditor	RSM Australia Partners Level 32, Exchange Tower, 2 The Esplanade Perth WA 6000
Solicitors	HopgoodGanim Allendale Square, Level 27/77 St Georges Terrace Perth WA 6000
Bankers	Commonwealth Bank of Australia 95 William Street Perth WA 6000
Stock exchange listing	Hazer Group Limited shares are listed on the Australian Securities Exchange (ASX code: HZR)
Website	www.hazergroup.com.au
Corporate Governance Statement	https://hazergroup.com.au/investors/#corporategovernance

Hazer Group Limited
Directors' report
For the half-year ended 31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Hazer Group Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors

The following persons were directors of Hazer Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Tim Goldsmith
Danielle Lee
Andrew Hinkly
Jack Hamilton
Glenn Corrie

Principal activities

During the financial half-year, the principal continuing activities of the company consisted of research and development of hydrogen and graphitic carbon production technology.

The company has intellectual property rights to a technology (the 'Hazer Process') which enables the production of hydrogen gas from the thermo-catalytic decomposition of methane (natural gas) with low carbon dioxide emissions and the co-production of a high-purity graphite product.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $5,045,120 (31 December 2024: $6,191,528).

Hazer is a clean technology development company focused on the commercialisation of the Hazer Process – a novel, low cost, low carbon emission hydrogen ("H2") and graphite production technology. The technology initially developed at the University of Western Australia has the potential to deliver two high-value products while reducing carbon emissions through both production and application.

The Hazer Commercial Demonstration Project (CDP) represents the first fully integrated demonstration of Hazer's technology and marks a significant milestone for the Company. Following the successful completion of the CDP test program in 2024, comprehensive analysis, evaluation and modelling of process performance data have confirmed the techno-economic viability, scalability and competitiveness of the Hazer Process.

These outcomes are underpinned by several key differentiators relative to alternative hydrogen production pathways, including lower energy intensity, the proven scalability of fluidised bed technology, high levels of methane conversion, and the production of a valuable and increasingly in-demand graphite co-product.

Low-emission hydrogen and graphitic carbon are both essential inputs in a decarbonising global economy. With strong international momentum to develop a hydrogen economy as part of the transition to a low-carbon energy system, demand for low-emissions hydrogen continues to grow. At the same time, electrolyser-based projects continue to face increasing cost, infrastructure and scalability challenges.

Commercial Progress and Market Positioning

Hazer is making meaningful progress in offering a technically validated, scalable alternative for clean hydrogen production. Through rigorous testing, validation and operational progress, the Company has established a strong foundation for commercial scale-up and near-term licensing. In parallel, Hazer continues to build momentum across its commercial pipeline, advancing key partnerships and projects that are positioning the Company as a leading provider of clean hydrogen and graphite technology. This progress is reflected in a growing international footprint of prospective customers and collaborators.

Following execution of the Hazer–KBR strategic alliance agreement announced on 5 May 2025, the joint Hazer–KBR team has achieved significant progress in advancing the Company's commercialisation strategy. The Hazer Process is now positioned within KBR's Net Zero and Sustainable Futures portfolio. The joint team is currently undertaking a major Process Design Package (PDP) milestone, including the selection of critical equipment required to underpin large-scale feasibility assessments. The PDP remains on track for completion in early 2026 and will support commercial scale-up, 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. As well, 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 fundamentals remain strong, with global demand for low-carbon hydrogen forecast to increase materially through to 2050, driven by ammonia, methanol, refining and steelmaking. The Hazer–KBR alliance is well positioned to capitalise on accelerating investment in clean ammonia and clean methanol production, particularly as these fuels are increasingly recognised for marine transport and future power generation. Hazer continues to focus on delivering licensing outcomes and building a robust pipeline of industrial-scale projects.

Strategic Projects and Partnerships

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, a nationally important development, significantly strengthening the vision for a revitalised, low carbon emissions steelmaking hub in South Australia.

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.

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 half-year to 31 December 2025, Hazer executed several arrangements that progressed the Company’s technology commercialisation objectives.

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 the MESH project as nationally significant under the Planning Act 2008.

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.

Graphite Commercialisation

Hazer continues to advance the commercialisation of graphite produced via the Hazer Process, with strategic collaborations underway involving Mitsui, Veolia, First Graphene, Kemira and other parties 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, rubber and industrial chemicals.

The Company’s approach is to target established markets where minimal post-treatment is required, supporting efficient market entry and maximise market application 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. For example, in the construction sector, the material is being tested as an additive and reinforcing agent, with promising initial feedback from industry partners.

Corporate Update

The company’s cash and cash equivalents were $14,837,670 as at 31 December 2025 (30 June 2025: $12,534,265) and net assets at 31 December 2025 were $13,411,540 (30 June 2025: $13,711,232). The company’s cash includes $1,294,858 of cash that is restricted from use by the company until certain conditions are satisfied.

Revnues from ordinary activities were $1,471,060 for the half-year ending 31 December 2025 (31 December 2024: $2,319,722). The decrease was primarily due to less spend resulting in a lower R&D rebate, and, despite serving an additional project client, the normal intermittent nature of project engineering services.

Loss from ordinary activities after tax was $(5,045,120) for the half-year ending 31 December 2025 (31 December 2024: $(6,191,528)). The decreased loss of $1,146,408 was primarily due to 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 total operating expenditure, including administration, consulting, research and development, and employee expenses and finance costs, decreased by 27% to $5,491,387 (31 December 2024: $7,542,964). Decreases in operating expenses predominantly related to decreased consulting and research expenditure $1,287,570 (31 December 2024: $3,110,190) associated with lower CDP operating costs; and decreased employee benefits expenditure $3,218,463 (31 December 2024: $3,442,254) due to staff movements.

The net operating cash outflows to 31 December 2025 was $971,490, compared to an outflow for the period ending 31 December 2024 of $2,102,699, primarily driven by a decrease in payments to suppliers and employees associated with reduced activity at the CDP.

Investing cash outflows reduced to $156,651 to the end of 31 December 2025 (31 December 2024: $1,330,919), predominantly related to decreased capital costs associated with the Hazer Commercial Demonstration Plant.

Financing cash inflow of $3,431,546 in the current period (31 December 2025) reflects the successful completion of a Share Purchase Plan for eligible shareholders of $2,615,852 before costs, and $1,068,000 from related party raise proceeds following shareholder approval at the Company's AGM. These resulted in 11,883,391 new shares at an issue price of $0.31 per share which raised $3,683,852 before costs.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

Tim Goldsmith
Chairman

24 February 2026

RSM Australia Partners

Level 32 Exchange Tower, 2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Hazer Group Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

RSM AUSTRALIA

TUTU PHONG
Partner

Perth, WA
Dated: 24 February 2026

Contents

General information

The financial statements cover Hazer Group Limited as a consolidated entity consisting of Hazer Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Hazer Group Limited's functional and presentation currency.

Hazer Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 9, 99 St Georges Terrace
Perth WA 6000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2026.

Hazer Group Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	Consolidated 31 Dec 2025 $	31 Dec 2024 $
Revenue			
Revenue	2	17,550	545,088
Other income	3	1,453,510	1,774,684
Total revenue		1,471,060	2,319,772
Expenses			
Finance costs		(29,195)	(17,277)
Administration		(956,159)	(973,243)
Consulting and research expenses		(1,287,570)	(3,110,190)
Employee benefits expenses		(3,218,463)	(3,442,254)
Share based payments	20	(967,386)	(766,179)
Depreciation and amortisation expense		(57,407)	(51,095)
Impairment expense on commercial demonstration plant		-	(151,062)
Loss before income tax expense		(5,045,120)	(6,191,528)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Hazer Group Limited		(5,045,120)	(6,191,528)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year attributable to the owners of Hazer Group Limited		(5,045,120)	(6,191,528)
		Cents	**Cents**
Basic and diluted loss per share		(1.93)	(2.69)

The above Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Hazer Group Limited
Statement of financial position
As at 31 December 2025

	Note	Consolidated 31 Dec 2025 $	30 Jun 2025 $
Assets			
Current assets			
Cash and cash equivalents	4	14,837,670	12,534,265
Trade and other receivables	5	1,410,980	4,585,248
Other current assets	6	445,358	457,724
Total current assets		16,694,008	17,577,237
Non-current assets			
Commercial demonstration plant	7	-	-
Plant and equipment		95	3,548
Leases - Right-of-use assets		120,027	169,003
Total non-current assets		120,122	172,551
Total assets		16,814,130	17,749,788
Liabilities			
Current liabilities			
Trade and other payables	8	564,347	1,195,891
Provisions	9	427,407	490,193
Contract liabilities	10	682,867	500,000
Lease liabilities		111,882	117,508
Total current liabilities		1,786,503	2,303,592
Non-current liabilities			
Contract liabilities	10	500,000	500,000
Lease Liabilities		52,982	102,495
Provisions	9	1,063,105	1,132,469
Total non-current liabilities		1,616,087	1,734,964
Total liabilities		3,402,590	4,038,556
Net assets		13,411,540	13,711,232
Equity			
Issued capital	11	99,138,060	95,214,418
Reserves	12	3,873,738	3,742,154
Accumulated losses	13	(89,600,258)	(85,245,340)
Total equity		13,411,540	13,711,232

The above Statement of financial position should be read in conjunction with the accompanying notes

Hazer Group Limited
Statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2024	88,731,322	2,519,398	(77,680,171)	13,570,549
Loss after income tax expense for the half-year	-	-	(6,191,528)	(6,191,528)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(6,191,528)	(6,191,528)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	(930)	-	-	(930)
Shares issued pursuant to the exercise of convertible notes	2,245	-	-	2,245
Share-based payments (note 20)	52,049	714,130	-	766,179
Transferred expired options to accumulated losses	-	(54,470)	54,470	-
Balance at 31 December 2024	88,784,686	3,179,058	(83,817,229)	8,146,515

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	95,214,418	3,742,154	(85,245,340)	13,711,232
Loss after income tax expense for the half-year	-	-	(5,045,120)	(5,045,120)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(5,045,120)	(5,045,120)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 11)	3,777,716	-	-	3,777,716
Shares issued pursuant to the exercise of options (note 11)	89,126	(88,800)	-	326
Share-based payments (note 20)	56,800	910,586	-	967,386
Transferred expired options to accumulated losses	-	(690,202)	690,202	-
Balance at 31 December 2025	99,138,060	3,873,738	(89,600,258)	13,411,540

The above Statement of changes in equity should be read in conjunction with the accompanying notes

Hazer Group Limited
Statement of cash flows
For the half-year ended 31 December 2025

	Note	Consolidated 31 Dec 2025 $	31 Dec 2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		19,371	448,238
Payments to suppliers and employees (inclusive of GST)		(5,781,933)	(7,828,475)
		(5,762,562)	(7,380,237)
Interest received		212,647	211,087
Interest and other finance costs paid		(1,863)	(2,153)
Research & development tax rebate received		4,580,288	5,068,604
Net cash used in operating activities		(971,490)	(2,102,699)
Cash flows from investing activities			
Payments for commercial demonstration plant		(156,651)	(1,330,919)
Net cash used in investing activities		(156,651)	(1,330,919)
Cash flows from financing activities			
Proceeds from issue of shares	11	3,683,852	-
Proceeds from exercise of share options, net of share issue costs		363	2,245
Share issue transaction costs		(183,107)	(4,296)
Repayment of leases		(69,562)	(67,264)
Net cash from/(used in) financing activities		3,431,546	(69,315)
Net increase/(decrease) in cash and cash equivalents		2,303,405	(3,502,933)
Cash and cash equivalents at the beginning of the financial half-year		12,534,265	12,821,547
Cash and cash equivalents at the end of the financial half-year		14,837,670	9,318,614

The above Statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

Note 2. Revenue

	Consolidated	
	31 Dec 2025	**31 Dec 2024**
	$	**$**
Engineering services revenue	17,550	545,088

Hazer has a binding Project Development Agreement (“PDA”) with FortisBC to pursue the development of a hydrogen production facility in British Columbia based on Hazer’s technology. Under the terms of the PDA, Hazer receives ongoing payment for Early Project Development Work associated with leading engineering activities relating to the core Hazer technology components.

Note 3. Other income

	Consolidated	
	31 Dec 2025	**31 Dec 2024**
	$	**$**
Interest income	212,647	211,087
R&D rebate	1,240,863	1,563,597
	1,453,510	1,774,684

Note 4. Cash and cash equivalents

	Consolidated	
	31 Dec 2025	**30 Jun 2025**
	$	**$**
Cash at bank	13,421,839	10,928,901
Cash on deposit	120,973	332,542
Cash at bank – restricted	1,294,858	1,272,822
	14,837,670	12,534,265

Note 5. Trade and other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Current assets		
GST refundable	43,613	55,693
R&D tax rebate receivable	1,186,764	4,526,189
	1,230,377	4,581,882
Trade receivable	180,603	3,366
	180,603	3,366
	1,410,980	4,585,248

R&D tax rebate receivable

R&D tax rebate receivable represents refundable tax offsets from the Australian Taxation Office (ATO) in relation to expenditure incurred in the current year for eligible research and development activities. Research and development activities are refundable at a rate of 43.5% for each dollar spent, subject to meeting certain eligibility criteria. Funds are expected to be received subsequent to the lodgement of the income tax return and research and development tax incentive schedule for the current financial year.

Note 6. Other current assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Prepayments	433,162	445,528
Deposits	12,196	12,196
	445,358	457,724

Note 7. Commercial demonstration plant

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Non-current assets		
Commercial demonstration plant	37,176,520	37,199,598
Commercial demonstration plant - R&D offset	(11,507,147)	(11,507,147)
Commercial demonstration plant – restoration provision	976,949	1,041,191
Commercial demonstration plant – accumulated amortisation & impairment	(18,736,322)	(18,823,642)
Commercial demonstration plant – ARENA grant offset	(7,910,000)	(7,910,000)
Net book value for the period ended	-	-

Note 7. Commercial demonstration plant (continued)

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Net book value		
At 1 July	-	-
- Additions	64,242	890,495
- Restoration provision - addition to asset	(64,242)	462,857
- R&D offset	-	(1,353,352)
Net book value for the period ended	-	-

The Commercial Demonstration Plant (CDP) is a key stage in the development and scale up of the Hazer process. Development costs directly attributable to create, produce and prepare the CDP for the purpose intended by management is recognised as an intangible asset when the criteria under AASB 138 Intangible Assets are satisfied.

Note 8. Trade and other payables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Trade payables	262,461	572,340
Other payables	301,886	623,551
	564,347	1,195,891

Note 9. Provisions

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Current liabilities		
Employee benefits	427,407	490,193
Non-current liabilities		
Long service leave	28,978	51,988
Lease make good	20,000	20,000
Provision for restoration	1,014,127	1,060,481
	1,063,105	1,132,469
	1,490,512	1,622,662

Consolidated - 31 Dec 2025	Provision for restoration $
Carrying amount at the start of the half-year	1,060,481
Adjustment to provision	(64,242)
Unwinding of discount	17,888
Carrying amount at the end of the half-year	1,014,127

Note 10. Contract liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Contract liabilities - current		
ARENA	500,000	500,000
EnergyPathways	182,867	-
	682,867	500,000
Contract liabilities - non current		
ARENA	500,000	500,000
	1,182,867	1,000,000

ARENA
The consolidated entity has received grant funding from ARENA, an independent agency of the Australian federal government, to support the design, procurement, construction and operation of the commercial demonstration plant. To access the grant funding, the company must meet the operational and technical requirements of agreed funding milestones in a form acceptable to ARENA. Contract liabilities represent the grant funding received where the milestone criteria are yet to be satisfied, and the funds are not yet available to the consolidated entity.

The amount of contract liabilities are allocated by grant milestones relating to the practical completion and commencement of commissioning for the commercial demonstration plant, along with the completion of 12, 24 and 36 months of operations.

As the consolidated entity achieved practical completion in the 2024 financial year and 12 months of operational performance in the 2025 financial year, amounts attributable to Milestone 5 (being 24 months of operational performance) are classified as current liabilities and are expected to be released in the next 12 months from 31 December 2025. The amount relating to operational Milestone 6 is classified as non-current as the consolidated entity is required to fulfil a minimum of 36 months of operations prior to being eligible for the application of funds.

EnergyPathways
Hazer Group entered into an agreement with EnergyPathways to prepare a feasibility study for a proposed clean hydrogen production facility. Under the terms of the agreement, the consolidated entity is entitled to invoice 50% of the purchase order value upon acceptance of the proposal, which occurred in November 2025. As at 31 December 2025, the invoiced amount remains unearned and is recognised as deferred revenue.

Note 11. Issued capital

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Shares	Shares	$	$
Ordinary shares - fully paid	265,693,098	253,326,552	99,138,060	95,214,418

Movements in spare share capital

Details	Date	Shares	Issue price	$
Opening balance	1 July 2025	253,326,552		95,214,418
Issue of shares	16 July 2025	8,438,231	$0.310	2,615,852
Issue of shares	10 December 2025	3,445,160	$0.310	1,068,000
Executive 2024 STI share issue	10 December 2025	120,853	$0.470	56,800
Issue of shares on exercise of options	16 December 2025	362,302	$0.246	89,126
Share issue transaction costs, net of tax				93,864
Balance	31 December 2025	265,693,098		99,138,060

Note 12. Reserves

Option reserve
The option reserve records items recognised as expenses on the valuation of share options.

	Number of Options	Value $
Balance at 1 July 2025	10,887,478	3,742,154
Options exercised during the period	(362,302)	(88,800)
Options issued during the current half-year vesting over multiple periods	17,198,082	399,766
Existing options issued in prior periods vesting over multiple periods	-	510,820
Options lapsed during the period	(1,215,000)	(690,202)
Balance at 31 December 2025	26,508,258	3,873,738

Note 13. Accumulated losses

	Consolidated	
	31 Dec 2025 $	30 Jun 2025 $
Accumulated losses at the beginning of the financial half-year	(85,245,340)	(77,680,171)
Loss after income tax expense for the half-year	(5,045,120)	(7,619,639)
Transfer from options reserve to accumulated losses	690,202	54,470
Accumulated losses at the end of the financial half-year	(89,600,258)	(85,245,340)

Note 14. Contingent assets and liabilities

There have been no material changes in the consolidated entity's contingent assets and contingent liabilities since 30 June 2025

Note 15. Segment information

The company has considered the requirements of AASB8 – Operating Segments and has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision-makers) in assessing performance and determining the allocation of resources.

The consolidated entity operates as a single segment being research and development of novel graphite-and-hydrogen-production technology. There is no difference between the audited financial report and the internal reports generated for review. The company is domiciled in Australia and has a subsidiary domiciled in Canada and one in Singapore. The consolidated entity is currently in the development phase and hence has not begun to generate revenue from operations. All the assets are located in Australia.

Note 16. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 17. Commitments

Committed at the reporting date but not recognised as liabilities:

Note 17. Commitments (continued)

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Committed at the reporting date but not recognised as liabilities, payable:		
Research collaboration agreement:		
Within one year	123,333	-
Later than 1 year but not later than 5 years	-	-
	123,333	-
Commercial Demonstration Plant:		
Within one year	18,397	85,876
Later than 1 year but not later than 5 years	-	-
	18,397	85,876
Other Research and Development:		
Within one year	637,181	297,469
Later than 1 year but not later than 5 years	190,060	188,933
	827,241	486,402
	968,971	572,278

Hazer's contracting and procurement strategy is for all commitments to be cancellable in nature where possible.

Note 18. Interests in subsidiaries

No changes to any interests in subsidiaries since prior reporting period apart from a new 100% owned Singapore entity (Hazer Graphite Pte Ltd).

Note 19. Events after the reporting period

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 20. Share-based payments

For the options granted during the current financial half-year, the Parisian barrier framework and valuation model inputs below have been used to determine the fair value at the grant date:

Grant date	Expiry date	No. of options	Share price at grant date	Exercise price	Expected Volatility %	Dividend Yield %	Risk-free interest rate %	Fair value at grant date
26/09/2025	30/06/2030	634,490	$0.415	$0.001	60%	-	3.77%	$0.3822
26/09/2025	30/06/2030	634,490	$0.415	$0.001	60%	-	3.77%	$0.3583
26/09/2025	30/06/2030	634,490	$0.415	$0.001	60%	-	3.77%	$0.3932
26/09/2025	30/06/2030	1,312,306	$0.415	$0.001	60%	-	3.77%	$0.2987
26/09/2025	30/06/2030	1,312,306	$0.415	$0.001	60%	-	3.77%	$0.2372
10/11/2025	10/12/2030	250,000	$0.515	$0.001	60%	-	3.85%	$0.5141
10/11/2025	10/12/2030	250,000	$0.515	$0.001	60%	-	3.85%	$0.5142
10/11/2025	10/12/2030	250,000	$0.515	$0.001	60%	-	3.85%	$0.5142
18/11/2025	10/12/2030	800,000	$0.470	$0.001	60%	-	3.92%	$0.4341
18/11/2025	10/12/2030	1,000,000	$0.470	$0.001	60%	-	3.92%	$0.4168
18/11/2025	10/12/2030	1,600,000	$0.470	$0.001	60%	-	3.92%	$0.3766
18/11/2025	10/12/2030	2,000,000	$0.470	$0.001	60%	-	3.92%	$0.3112
18/11/2025	10/12/2030	2,500,000	$0.470	$0.001	60%	-	3.92%	$0.2619
18/11/2025	10/12/2030	1,340,000	$0.470	$0.530	60%	-	3.92%	$0.1824
18/11/2025	10/12/2030	1,340,000	$0.470	$0.530	60%	-	3.92%	$0.1556
18/11/2025	10/12/2030	1,340,000	$0.470	$0.530	60%	-	3.92%	$0.1401

The long-term incentives ('LTI') share-based payments are awarded to general staff, executives and Directors over a period of three to five years based on long-term incentive measures. These can include length of service, performance measures and an increase in shareholders' value relative to the price at the time of the options being issued.

Full details of the vesting conditions of LTI awards are disclosed on the Hazer website.

Expenses arising from share-based payment transactions
Total expenses arising from share-based payment transactions recognised during the year were as follows:

	Consolidated	
	31 Dec 2025 $	31 Dec 2024 $
Options issued to KMP and employees	910,586	714,130
Shares issued to KMP	56,800	52,049
	967,386	766,179

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Tim Goldsmith
Chairman

24 February 2026

RSM Australia Partners

Level 32 Exchange Tower, 2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF HAZER GROUP LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Hazer Group Limited (the Company) and its subsidiaries (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements comprising material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Hazer Group Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's position as at 31 December 2025 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Hazer Group Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of Hazer Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

RSM

RSM AUSTRALIA

TUTU PHONG
Partner

Perth, WA
Dated: 24 February 2026