

6 December 2017

Australian Securities Exchange Announcement

Leaf Resources Completes \$3 million Placement

Leaf Resources (ASX: LER "Leaf or the "Company") is pleased to announce that it has raised \$3.0 million through a placement of 33,333,333 ordinary shares to sophisticated investors. Settlement of the placement is due on Monday 11 December 2017.

The placement was undertaken at \$0.09 per share, representing a 4% discount to the Company's 30-day VWAP and was done under the Company's current placement capacity in accordance with Listing Rule 7.1 (13,056,955 shares) and 7.1A (20,276,378 shares). The price of \$0.09 meets the requirements of LR 7.1A.3 in being greater than 75% of the 15-day VWAP.

Tribeca Investment Partners, through their Tribeca Global Natural Resources Fund was a cornerstone investor in the placement, adding an investment of \$1.92m to their previous investment in Leaf.

Leaf Resources will use the funds raised from the placement to advance our Malaysian project by commencing the engineering studies necessary for the chosen site and its associated biomass as well as progressing various approvals with the Malaysian government.

Additionally, funds will be used to advance the marketing of the biodegradable paper coating recently licensed and to undertake further testing on areas specifically requested in our initial contact with companies within the market.

Leaf Chairman Dr Jay Hetzel commented:

"Leaf is extremely well positioned with regard to our project in Malaysia. We have agreed commercial terms for an outstanding site in Segamat, which has vast quantities of suitable biomass available nearby as well as the potential to share biomass handling facilities and utilities.

An agreement with HB International on glycerol purchase and sales is in place and we recently signed a collaboration agreement with Verdezyne for our fermentable sugars.

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Finally, we are receiving exceptional support from the Malaysian government as we seek to implement essential elements of their Biomass 2020 strategy.

Through this placement and the support of a leading investment manager in Tribeca, we are progressing the commercialization of Leaf's Glycell™ technology as the world looks to replace petroleum based chemicals".

End

About Leaf Resources Ltd (ASX: LER)

Leaf Resources is one of the world's leading companies in converting plant biomass into fermentable sugars. Our proprietary process for converting biomass-to-functional industrial sugars enable a myriad of downstream technologies for the production of renewable chemicals that will substitute petrochemicals used in manufacturing today. With our project development and continued technical innovation we are building a robust global business centered on renewable carbon containing products to deliver environmental and economic benefits to our shareholders and our planet. More on www.leafresources.com.au

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