

13 July 2017

[Optionholder]  
[Address 1]  
[Address 2]  
[Address 3]

Dear Option holder,

**Leaf Resources Limited Entitlement Offer – notice to option holders**

This letter is to notify you that Leaf Resources Limited (ASX LER) (**Leaf Resources**) has today announced a non-renounceable pro rata entitlement offer of ordinary shares in Leaf Resources to eligible shareholders in Australia and New Zealand (**Eligible Shareholders**) to raise up to approximately A\$1,582,985 (**Entitlement Offer**).

The Entitlement Offer entitles Eligible Shareholders to subscribe for one new share at an issue price of A\$0.09 per share for every ten shares held at 7.00 pm (Sydney time) on 18 July 2017 (**Record Date**). Eligible Shareholders that take up their entitlement in full may also apply for additional new shares at the same issue price of A\$0.09 per share, although any such application may be scaled back.

**As an option holder, you will only be entitled to participate in the Entitlement Offer if you hold shares on the Record Date and have a registered address in Australia or New Zealand.** The purpose of this letter is to give you notice of the Record Date in case you wish to exercise any of your options and be issued shares on or before the Record Date (subject to the terms of the options).

Further details of the Entitlement Offer will be set out in an offer booklet (**Entitlement Offer Booklet**) which is expected to be dispatched to Eligible Shareholders on or about 21 July 2017. Once the Entitlement Offer Booklet is dispatched, it will be available from Leaf Resources' website ([www.leafresources.com.au](http://www.leafresources.com.au)) and on ASX's company announcements platform (accessible at [www.asx.com.au](http://www.asx.com.au)) for information purposes only.

If you wish to participate in the Entitlement Offer in respect of any of your options, you must exercise those options (subject to the terms of the options) and be registered as an Eligible Shareholder before the Record Date. You should carefully consider Leaf Resources' public announcements regarding the Entitlement Offer and your personal circumstances before deciding whether to exercise your options (including whether upon exercise of any options you will in fact be an Eligible Shareholder). If you are unsure what action you should take or have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser.

If you do not want to exercise your options and participate in the Entitlement Offer, the exercise price of your options will be reduced in the manner permitted by the ASX Listing Rules at the time of the Entitlement Offer. Leaf Resources will make an announcement in relation to the reduced exercise price in due course.

Yours faithfully



**Helen Pennisi**  
Company Secretary