

30 October 2017

Australian Securities Exchange Announcement

DOUG RATHBONE TO BECOME CHAIRMAN OF LEAF RESOURCES

From the Chairman Dr. Jay Hetzel

Dear Shareholders,

At today's AGM, I will announce my resignation from the Leaf Board of Directors as at 31st March 2018, after serving for seven years, with six years as Chair. Mr Doug Rathbone will replace me as Chairman from the 1st April 2018 and Mr Alex Baker will join the Board in February of next year.

During my term, Leaf has pivoted from a company with an aspiration of producing pharmaceutical proteins in plants to an enterprise with a clear commercial path to building multiple biorefineries for the production of high value renewable sugars and chemicals from a range of biomass feedstocks. It has been a transformation of which the Leaf team and I can feel justly proud.

A transformation of this scale doesn't just happen. It has come about from:

- a clear vision with a methodical execution plan,
- building a high performing team well, headed by Ken Richards which is suited to the task,
- a focus on commercial outcomes, and
- a skilled Board which has provided strategic leadership.

Leaf is now very well positioned for the future. Specifically, we have:

- Glycell™, a world class process for the conversion of plant biomass to fermentable sugars,
- strong partnership and commercial arrangements with world leading companies such as Andritz, Novozymes, ARI and Claeris,
- excellent relationships with both the Malaysian and Queensland governments,
- we are close to securing the key building blocks for our first plant in Malaysia ie in-principle agreements for land, biomass, glycerol, finance and offtake,
- a license to enter the \$5 billion biodegradable packaging market with a barrier coating product that:
 - aligns with our Malaysian strategy since it uses lignin and glycerol,
 - is renewable, biodegradable and recyclable - which is exactly what the market is seeking and,
 - can potentially provide significant short-term cash flow to reduce our cash burn.

I am very confident that Leaf has a bright future as it enters the next phase on its journey - the construction and production phase. Technology development for the core processes is largely done and we are now truly moving into implementation.

Thus, it's time for a change and a time for new leadership. And I can think of no better person to lead the Board at this time than my colleague and fellow Director, Mr Doug Rathbone.

Doug brings a wealth of corporate, agriculture and chemical markets experience to the Board. Under Doug's leadership, as Managing Director, he transformed Nufarm Limited from a \$20 million agrichemical business to one with more than \$2 billion in sales. Specifically, from Leaf Resources point of view, Doug brings the critical experience and skills as we enter the commercialisation phase and start constructing plants, selling fermentable sugars and renewable chemicals.

Doug's appointment is not the only change flagged for the Leaf Board. Alex Baker, our Chief Operating Officer will be resigning his executive role at the end of December. Over the past six years, Alex has lead the development of the Glycell™ process and established many of the valuable partnerships that we now have in place. Furthermore, he has been instrumental in integrating of the various processes required for an efficient biorefinery.

However, I am pleased to announce that we won't be losing Alex's technology insights and industry knowledge since he will become a Non-Executive Director from the 1st February 2018.

These Board changes complete the renewal and succession planning process that has been underway over recent years to ensure Leaf has the skills and leadership to guide it through its next phase of growth. The company is truly in good hands.

In conclusion, I am very privileged to have served on the Leaf Board for the past seven years, and to have worked with such a capable team of fellow Directors and executives. I will be leaving Leaf Resources well placed to capitalise on the opportunities ahead.

Finally, I thank you, the shareholders for your ongoing confidence and support.

About Doug Rathbone

Mr. Rathbone is currently Chairman of Rathbone Wine Group, a Director of Cotton Seed Distributors and AgBiTech, and a member of the Rabobank Advisory Board. He is a former Board member of CSIRO.

Mr. Rathbone, a chemical engineer by training, served as the Chief Executive Officer and Managing Director at Nufarm Limited from 1999 to 2015, and previously as the Managing Director of Nufarm Australia Limited from 1982.

Under his leadership, Nufarm transformed from a \$20 million business to one with more than \$2 billion in sales as it became one of the world's leading crop protection and seed companies with operations throughout Asia, Europe and the Americas.

He has won a number of distinguished awards. These include a Centenary Medal in 2003 for outstanding service to science and technology, and the Rabobank Agribusiness Leader of the Year in 1999.

He has also been listed several times in Engineers Australia top 100 most influential engineers, and was awarded the Institute Engineers Australia "Sheddon Pacific" medal for excellence in engineering. In the 2006 Queens birthday honours, Mr. Rathbone was made a Member of the Order of Australia for service to the community, chemical engineering and viticulture.

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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