

29 November 2017

Australian Securities Exchange Announcement

Leaf and Verdezyne to Collaborate on Developing Empty Fruit Bunch Biomass Sugars for Biobased Chemicals

Leaf Resources (ASX: LER) ("Leaf") and Verdezyne Inc. ("Verdezyne") will collaborate to evaluate the use of Leaf's Glycell sugars prepared from empty fruit bunch (EFB) as a raw material for large scale production of biobased chemicals in Verdezyne's proprietary yeast fermentation processes.

Large scale production of biobased chemicals using Glycell sugars will take place at Verdezyne's biobased chemicals manufacturing facility in Johor Bahru Malaysia. The facility is expected to be completed in 4Q18. The parties previously evaluated the use of Glycell sugars to manufacture biobased dodecanedioic acid using Verdezyne's proprietary yeast fermentation manufacturing process at small scale with successful results. The goal of the large scale evaluation is for Verdezyne to qualify a local source of fermentable sugars such as the Glycell sugars for use in commercial manufacturing.

On 16 November 2017 Leaf via its Malaysian subsidiary announced a term sheet for a 2 year option agreement over land in Segamat, Johor as the proposed site of Leaf's first biorefinery project. It is from this site that the fermentable sugars would be sourced.

About Verdezyne

Verdezyne is a synthetic biology company offering biobased chemicals manufactured via fermentation of its proprietary yeast cells. The company has two commercial products, [BIOLON™ DDDA](#) (dodecanedioic acid) and FerroShield™ dibasic acid mixture. Current investors in Verdezyne include BP Ventures, DSM Venturing B.V., OVP Venture Partners, Monitor Ventures, and Sime Darby. For more information, visit www.verdezyne.com or connect with the company on [Twitter](#), [LinkedIn](#) or [Facebook](#).

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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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