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Australian Securities Exchange Announcement

LeafCOAT License Expanded to Include Europe

Leaf Resources (ASX: LER) ("Leaf") is pleased to announce that it has secured an extension to the licensed territories for LeafCOAT, an innovative biodegradable coating product for the packaging market.

In a new agreement, Leaf has secured the rights to commercialise and distribute LeafCOAT in Europe. The original license covered North America, Brazil and Malaysia.

The technology for LeafCOAT is licensed from QUT bluebox, the commercial arm of the Queensland University of Technology (QUT) and was developed by a QUT project team that included Dr. Les Edye, now Leaf's Head of Research and Development.

LeafCOAT capitalises on strong and growing consumer and industry demand for packaging materials to be renewably sourced, readily recyclable and biodegradable. It is based on lignin and glycerol, two of the products that Leaf's Glycell™ biorefinery process will produce. As such, LeafCOAT is a strategic product offering for Leaf.

LeafCOAT will be targeted at segments of the packaging market where it offers important advantages.

- Corrugated board market - LeafCOAT was developed to replace the traditional, petroleum based wax coatings and various plastic coatings used to waterproof the paper or cardboard which makes the box unable to be recycled.
- Mulching markets - Testing shows that LeafCOAT can replace black polyethylene as mulch with the additional benefit that it biodegrades to put beneficial carbon back in the soil.
- Food & beverage packaging - As a biodegradable, recyclable and renewable sourced natural product, LeafCOAT is a potential solution to the 487 billion cups disposed of worldwide each year.

Leaf has signed a number of NDA's with third parties in existing licenced territories for discussions on and trials of the product, which is currently being produced in North America under a contract manufacturing arrangement.

Leaf CEO Ken Richards said: "The addition of Europe as a licensed territory is exciting as it provides access to a range of markets and companies that are focused on sustainability and developing products that contribute to improving the environment."

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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 industrial 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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