

21<sup>th</sup> November 2019

Alex Sutton  
Adviser - Geology, Listings Compliance  
ASX Limited  
20 Bridge Street, Sydney NSW 2000

Dear Mr. Sutton,

**Leaf Resources Ltd ('LER'): Appendix 3Y – Change of Director's Interest Notice Query**

1. Please explain why the Appendix 3Y was lodged late.

The Appendix 3Y was lodged late due to several factors including, a delay of forwarding documentation from the broker, and our administrative staff being on leave. As a result, there was an unfortunate delay and oversight resulting in the late lodgement of the Appendix 3Y to the ASX on 19th November 2019.

2. What arrangements does LER have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

The Company and its directors are aware of their obligations under ASX Listing Rule 3.19A. LER has strict requirements requiring directors to advise the company of changes in their interests immediately upon transaction. Each director is informed of ASX disclosure requirements upon their appointment and the review and confirmation of the Directors' Shareholding Register is a standing agenda item at each board meeting. The Company's Security Trading Policy ([www.leafresources.com.au](http://www.leafresources.com.au)), sets out the procedure for the sale and disposal of securities in the Company and applies to all directors, employees and contractors. Under the Company's Security Trading Policy, directors are required to seek permission to trade and must notify the Company Secretary of any trade in the Company's securities as soon as practicable, but not later than five business days of such trade occurring, to ensure the Company Secretary can comply with the requirements under ASX Listing Rule 3.19A to notify the ASX of any change in notifiable interests held by a director.

3. If the current arrangements are inadequate or not being enforced, what additional steps does LER intend to take to ensure compliance with Listing Rule 3.19B?

LER believes that its current procedures for director trading in the Company's securities are adequate. The Chairman will remind all directors of their obligations for timely share trading disclosure, regardless of the level of resourcing of the Company's administrative staff. The Company and its Directors understand the importance of timely and accurate disclosure to the market and will ensure that all future disclosures are in accordance with the disclosure period noted in ASX Listing Rule 3.19A.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'A. B. Baker', with a long, sweeping flourish extending from the end.

Alex Baker  
Managing Director

**Leaf Resources Limited**

19 November 2019

Mr Alex Baker  
Managing Director  
Leaf Resources Ltd  
Suite 7 1 Westlink Court  
Darra QLD 4076

By email:

Dear Mr Baker

**Leaf Resources Ltd ('LER'): Appendix 3Y – Change of Director's Interest Notice Query**

ASX refers to the following:

1. LER's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 19 November 2019 for Mr Alex Baker (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:
  - 3.19A.1 *'The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*
    - *On the date that the entity is admitted to the official list.*
    - *On the date that a director is appointed.**The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.*
  - 3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*
  - 3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.'*
3. Listing rule 3.19B which states that:

*'An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.'*

The Notice indicates that a change in Mr Baker's notifiable interest occurred on 28 October 2019. It appears that the Notice should have been lodged with ASX by 5 November 2019. Consequently, LER may have breached Listing Rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

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ASX reminds LER of its contract with ASX to comply with the Listing Rules. In the circumstances, LER should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

### **Request for Information**

Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does LER have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does LER intend to take to ensure compliance with Listing Rule 3.19B?

### **When and where to send your response**

Your response should be sent to me by e-mail at [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent to the ASX Market Announcements Office.

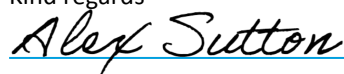
A response is requested as soon as possible and, in any event, no later than half an hour before the start of trading (i.e. before 9:30 am AEDT) on 22 November 2019.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards



**Alex Sutton**

Compliance Adviser, Geology, Listings Compliance (Sydney)