

29 March 2021

**ASX Release**

**Apple Tree Creek Plant Construction Complete and Successful First  
Production of Terpene and Rosin**

**Highlights:**

- **Construction complete at Apple Tree Creek**
- **First batches of terpene and rosin produced at new plant**
- **Work underway to increase plant capacity**
- **First revenue from the woodchips**

Leaf Resources (ASX: LER) (“Leaf” or “Company”), is pleased to announce that construction is complete, and production has commenced at their 100% owned subsidiary Essential Queensland Pty Ltd.’s Apple Tree Creek plant.

The first batches of terpene and rosin have been produced and management is preparing to operate the plant on a 2 shift, 24x7 basis.

Over the next two to three months plant operations will be fine-tuned, and production will be increased to meet the Company’s targeted 8,000 tonnes per annum run rate of pine chemical production.

Supply of raw material is consistent with the plant’s requirements. Woodchip sales have commenced and chemical sales will begin in the coming weeks.

The Company is working to increase capacity of chemical production at the current site.

Discussions are underway with various parties to increase both the supply of raw materials and increase sales offtake of rosin to meet increased capacity at the existing plant.

To advance growth, the Company has secured \$1,300,000 loan secured against R&D rebate receivables.

The Board would like to thank the key people in making the Apple Creek facility a reality, Managing Director Ray Mountfort and Executive Director Grant Yeatman. Their tireless efforts over the last 12 months, their understanding of how the plant would and should come together and their ability to motivate staff have all combined to make the plant an operating reality. To all the staff of Essential Queensland thank you for your considerable efforts in making this happen. The main journey is just beginning and there is significant growth in front of the Company. Your contributions have been instrumental in progressing the Company to this significant milestone.



### **Authorisation Statement**

This update has been authorised to be given to ASX by the Board of Leaf Resources Limited.

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### **Contacts**

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### **About Leaf Resources**

Leaf and EQ technologies are highly complementary as both enable the replacement of petroleum-based chemicals with the aim of moving markets towards the bio economy. In addition, the extraction process employed by EQ results in a cellulosic 'waste' product that is a potential feedstock to LER's proprietary "Glycell"<sup>TM</sup> process for producing clean industrial sugars.