

31st March 2021

Australian Securities Exchange Announcement

Leaf Resources Interim Financial Report to Shareholders for the Half Year Ended 31 December 2020

The Company has today released the Interim Financial Report to shareholders for the Half Year Ended 31 December 2020 and wishes to advise that there was one material difference between the final report and the preliminary report lodged with the ASX on 26 February 2021.

Following a review of the acquisition consideration in relation to the Leaf Resources and Essential Queensland Pty Ltd transaction it was decided that the consideration would be reflected as a reverse acquisition – in process Research & Development expense. As per AASB 3 the Company has applied the provisional basis for accounting with regards to the accounting treatment of the business combination. Given the transaction completed on 22 December 2020 just prior to the reporting date of 31 December 2020 the Company is currently in the process of reviewing the various components of the business combination as of the acquisition date in accordance with the standard. The key areas of focus relate to the intangible assets and equity interests acquired as a result of the transaction, the Company will look to undertake further work around these focus areas which may include an independent valuation of the In process Research and Development of the Glycell technology.

The impact of the change can be seen in the following table. For further information of the change refer to Note 5 of the Interim Financial Report.

	Final Interim	Preliminary Interim
	Financial Report	Financial Report
Consolidated statement of profit or loss and other		
comprehensive income		
Reverse acquisition – in process Research & Development	\$7,515,114	
expense (provisional basis)		-
Consolidated statement of financial position		
Intangible assets (provisional basis)	-	\$7,515,114

Authorisation Statement

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

--ENDS--

Contacts

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About Leaf Resources

Leaf and EQ technologies are highly complementary as both enable the replacement of petroleum-based chemicals and plastics 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" process for producing clean industrial sugars.