



28 October 2021

Dear Shareholder

Annual General Meeting – Notice of Meeting and Proxy Form

Notice is hereby given that an Annual General Meeting (Meeting) of Shareholders of Leaf Resources Limited (LER, the Company) will be held at 2.00 pm (AEST) on 30<sup>th</sup> November 2021 at Unit 10 / 12 Kelly Court Landsborough QLD 4550.

In accordance with modifications to the Corporations Act under the Treasury Laws Amendment (2021 Measures No. 1) Act 2021 No. 82, 2021, the Company will not be sending hard copies of the Notice of Meeting and Explanatory Memorandum to Shareholders. Instead, the Notice of Meeting is being made available to shareholders electronically and can be viewed and downloaded online at the following page <https://leafresources.com.au/all-announcements/>

The Notice of Meeting will also be available on ASX's website, under the Company's ticker code LER. All resolutions for the Meeting will be decided via a poll. The poll will be conducted based on votes submitted by proxy, together with any votes cast at the Meeting.

Due to the ongoing COVID-19 situation, the Company strongly encourages you to vote via proxy for the purposes of the Meeting, rather than attending in person. A personalised Proxy Form is attached to this letter.

LER is also encouraging you to lodge your proxy votes online. To do that, you can login to [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) using the holding details (SRN or HIN) which will be on your personalised Proxy Form sent to you via email or mail. Once logged in, select Voting and follow the prompts to lodge your vote.

If you have any problems accessing the proxy voting screen(s), please contact LER's share registry - Link Market Services Limited on +61 1300 554 474 or via email at: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

Proxy instructions must be received no later than 48 hours before the commencement of the Meeting.

*By Order of the Board of Directors*

Drew Speedy  
Company Secretary  
Leaf Resources Ltd

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**LEAF RESOURCES LIMITED**  
**ACN 074 969 056**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 2:00pm (AEST)

**DATE:** 30 November 2021

**PLACE:** Unit 10 / 12 Kelly Court, Landsborough QLD 4550

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm (AEST) on 27 November 2021.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

A voting prohibition statement applies to this Resolution. Please see below.

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#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR KEN RICHARDS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, in accordance with clause 14.2 of the Company's Constitution, Listing Rule 14.4 and for all other purposes, Mr Ken Richards, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

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#### 4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

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#### 5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 80,000,000 Shares on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

**Dated: 28 October 2021**

**By order of the Board**

**Drew Speedy  
Company Secretary**

## Voting Prohibition Statements

|   |   |
|---|---|
| <b>Resolution 1 – Adoption of Remuneration Report</b> | <p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"><li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li><li>(b) a Closely Related Party of such a member.</li></ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"><li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li><li>(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none"><li>(i) does not specify the way the proxy is to vote on this Resolution; and</li></ul></li></ul> <p>expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</p> |
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## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

|   |   |
|---|---|
| <b>Resolution 3 – Approval of 7.1A Mandate</b>              | A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). |
| <b>Resolution 4 – Ratification of prior issue of Shares</b> | A person who participated in the issue or is a counterparty to the agreement being approved (namely Placement Participants) or an associate of that person or those persons.  |

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The Chair intends to vote undirected proxies on, and in favour of, all Resolutions.

### **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from the Company will need to verify your identity. You can register from 1:30pm (AEST) on the day of the meeting.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 409 850 802.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.leafresources.com.au](http://www.leafresources.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## **2.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR KEN RICHARDS**

### **3.1 General**

Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Mr Ken Richards, who served as an Executive Director since 31 August 2007 was appointed as Managing Director of the Company on 1 August 2011 and resigned as Managing Director on 1 July 2019, was subsequently appointed as Chairman of the Company on 22 December 2020, retires by rotation and seeks re-election.

### **3.2 Qualifications and other material directorships**

Mr Ken Richards has more than 30 years' experience as a Chief Executive and Managing Director across both public and private companies in the agriculture, finance and technology sectors.

Throughout his executive career, Mr Richards has developed a strong track record for growing and transitioning start-up companies from concept phase through to commercialisation. Along the way he has completed corporate transactions including capital raisings, takeovers and asset sales well in excess of \$200m.

Mr Richards is a fellow of the Australian Institute of Company Directors and was previously a board member of Golf Australia and Deputy Chairman of Surf Life Saving (WA). He holds a Bachelor of Commerce and Master of Business Administration (MBA) degrees from the University of WA.

### **3.3 Independence**

If re-elected, the Board considers Mr Richards will be an independent Director.

### **3.4 Board recommendation**

The Board has reviewed Mr Ken Richards' performance since his appointment to the Board and considers that Mr Ken Richards' skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Ken Richards and recommends that Shareholders vote in favour of Resolution 2.

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## **4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE**

### **4.1 General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

## **4.2 Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 3:

### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

### **(b) Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 4.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for acquisition of new assets or investments (including expense associated with such acquisition), expansion of current business operations, continued research and development, feasibility study and commercialisation expenditure on the Company's current assets and/or general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 6 October 2021.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

| Number of Shares on Issue (Variable A in Listing Rule 7.1A.2) |                      | Shares issued – 10% voting dilution | Dilution     |              |              |
|---|----------------------|-------------------------------------|--------------|--------------|--------------|
|   |                      |                                     | Issue Price  |              |              |
|   |                      |                                     | \$0.042      | \$0.084      | \$0.126      |
|   |                      |                                     | 50% decrease | Issue Price  | 50% increase |
|   |                      |                                     | Funds Raised |              |              |
| Current   | 1,572,407,082 Shares | 157,240,708 Shares                  | \$6,604,110  | \$13,208,219 | \$19,812,329 |
| 50% increase  | 2,358,610,623 Shares | 235,861,062 Shares                  | \$9,906,165  | \$19,812,329 | \$29,718,494 |
| 100% increase   | 3,144,814,164 Shares | 314,481,416 Shares                  | \$13,208,219 | \$26,416,439 | \$39,624,658 |

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 1,572,407,082 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 6 October 2021.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.

4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 14 December 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 15 December 2020, the Company issued 81,583,333 Shares and 4,100,000 Options pursuant to the Previous Approval (**Previous Issue**), which represent approximately 5.75% of the total diluted number of Equity Securities on issue in the Company on 22 December 2020, which was 1,490,823,415.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out in Schedule 1 below.

### **4.3 Voting Exclusion Statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

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## **5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1**

### **5.1 General**

On 22 July 2021 and 23 July 2021, the Company issued 80,000,000 Shares at an issue price of \$0.10 per Share to raise \$8,000,000 (**Placement Shares**).

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 14 December 2020.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking

Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

## **5.2 Technical information required by Listing Rule 14.1A**

If Resolution 4 is passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 4 is not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Brokers Shares and the Placement Shares.

## **5.3 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of Sequoia. The recipients were identified through a bookbuild process, which involved Sequoia seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) 80,000,000 Placement Shares were issued and the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares were issued on 22 July 2021 and 23 July 2021;
- (e) the issue price was \$0.10 per Placement Shares. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (f) the purpose of the issue of the Placement Shares was to raise \$8,000,000, which was applied towards increasing production capacity of natural rosin and terpene from 8,000 tpa to 16,000 tpa and wood pellet line to increase revenue and ongoing working capital; and
- (g) The Placement Shares were not issued under an agreement.

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## GLOSSARY

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**\$** means Australian dollars.

**7.1A Mandate** has the meaning given in Item 4 of this Notice.

**AEST** means Australian Eastern Standard Time as observed in Brisbane, Queensland.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Company** means Leaf Resources Limited (ACN 074 969 056)

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**KMP** are those persons having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiaries, directly or indirectly, including any Director (whether executive or not).

**Meeting** means the annual general meeting of the Members convened pursuant to the Notice for the purposes of considering the resolutions set out in the Notice.

**Listing Rules** means the Listing Rules of ASX.

**Notice** means the 'Notice of Annual General Meeting' set out in the first part of this document before the Explanatory Statement.

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Sequoia** means Sequoia Corporate Finance Pty Ltd (a Corporate Authorised Representative No 469074 of Sequoia Wealth Management Pty Limited, AFSL No. 472387).

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Variable A** means “A” as set out in the formula in Listing Rule 7.1A(2).

## SCHEDULE 1 – PREVIOUS ISSUE

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

|  |  |
|--|--|
| <b>Date of Issue and Appendix 3B</b>                                 | <b>Date of Issue:</b> 16 February 2021<br><b>Date of Appendix 3B:</b> 16 February 2021   |
| <b>Recipients</b>  | Sequoia Corporate Finance Pty Ltd (a Corporate Authorised Representative No 469074 of Sequoia Wealth Management Pty Limited, AFSL No. 472387)  |
| <b>Number and Class of Equity Securities Issued</b>                  | 1,583,333 Shares <sup>2</sup>  |
| <b>Issue Price and discount to Market Price<sup>1</sup> (if any)</b> | \$0.02 per Share (at a discount 71% to Market Price on 15 February 2021 <sup>1</sup> ). These shares were previously agreed to be issued under the LER re-listing prospectus and at the same price of the Capital Raise completed on 22 December 2020, being \$0.02. |
| <b>Total Cash Consideration and Use of Funds</b>                     | <b>Amount raised:</b> \$Nil<br><b>Amount spent:</b> \$Nil<br><b>Use of funds:</b> \$Nil<br><b>Amount remaining:</b> \$Nil<br><b>Proposed use of remaining funds:</b> part payment of brokerage fee   |

### Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: LER (terms are set out in the Constitution).

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| <b>Date of Issue and Appendix 3B</b>                                 | <b>Date of Issue:</b> 29 April 2021<br><b>Date of Appendix 3B:</b> 29 April 2021   |
| <b>Recipients</b>  | Altor Capital and Agrimart Sdn Bhd   |
| <b>Number and Class of Equity Securities Issued</b>                  | 4,100,000 Options <sup>2</sup>   |
| <b>Issue Price and discount to Market Price<sup>1</sup> (if any)</b> | \$0.015 per Option   |
| <b>Total Cash Consideration and Use of Funds</b>                     | <b>Amount raised:</b> \$Nil<br><b>Amount spent:</b> \$Nil<br><b>Use of funds:</b> \$Nil<br><b>Amount remaining:</b> \$Nil<br><b>Proposed use of remaining funds:</b> 4,000,000 Options as part of loan facility fee and 10,000 Options as part consideration for investment in Leaf Malaysia |

### Notes:

1. 4,100,000 Options, exercisable at \$0.13 each, on or before 29 April 2024 .

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| <b>Date of Issue and Appendix 3B</b>                                 | <b>Date of Issue:</b> 22 July 2021<br><b>Date of Appendix 3B:</b> 15 July 2021   |
| <b>Recipients</b>  | Professional and sophisticated investors as part of a placement announced on 15 July 2021. The placement participants were identified through a bookbuild process, which involved Sequoia/the Company seeking expressions of interest to participate in the placement from non-related parties of the Company.   |
| <b>Number and Class of Equity Securities Issued</b>                  | 69,970,000 Shares <sup>2</sup>   |
| <b>Issue Price and discount to Market Price<sup>1</sup> (if any)</b> | \$0.10 per Share (at a discount 4.76% to Market Price <sup>1</sup> ).  |
| <b>Total Cash Consideration and Use of Funds</b>                     | <b>Amount raised:</b> \$6,997,000<br><b>Amount spent:</b> \$2,718,956<br><b>Use of funds:</b> capital expansion of production capacity and ongoing working capital.<br><b>Amount remaining:</b> \$4,278,044<br><b>Proposed use of remaining funds<sup>3</sup>:</b> capital expansion of production capacity and wood pellet line, and ongoing working capital. |

**Notes:**

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: LER (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

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| <b>Date of Issue and Appendix 3B</b>                                 | <b>Date of Issue:</b> 23 July 2021<br><b>Date of Appendix 3B:</b> 15 July 2021   |
| <b>Recipients</b>  | Professional and sophisticated investors as part of a placement announced on 15 July 2021. The placement participants were identified through a bookbuild process, which involved Sequoia/the Company seeking expressions of interest to participate in the placement from non-related parties of the Company. |
| <b>Number and Class of Equity Securities Issued</b>                  | 10,030,000 Shares <sup>2</sup>   |
| <b>Issue Price and discount to Market Price<sup>1</sup> (if any)</b> | \$0.10 per Share (at a discount 4.76% to Market Price <sup>1</sup> ).  |
| <b>Total Cash Consideration and Use of Funds</b>                     | <b>Amount raised:</b> \$1,003,000<br><b>Amount spent:</b> \$Nil  |

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|  | <p><b>Use of funds:</b> capital expansion of production capacity and wood pellet line, and ongoing working capital.</p> <p><b>Amount remaining:</b> \$1,003,000</p> <p><b>Proposed use of remaining funds<sup>3</sup>:</b> capital expansion of production capacity and wood pellet line, and ongoing working capital.</p> |
|--|--|

**Notes:**

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: LER (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

**LODGE YOUR VOTE**
 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)
 **BY MAIL**  
 Leaf Resources Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

 **BY FAX**  
 +61 2 9287 0309

 **BY HAND**  
 Link Market Services Limited  
 Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**  
 Telephone: +61 1300 554 474

**X99999999999**
**PROXY FORM**

I/We being a member(s) of Leaf Resources Limited and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**
☐ **the Chairman of the Meeting (mark box)**
**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AEST) on Tuesday, 30 November 2021 at Unit 10 / 12 Kelly Court, Landsborough QLD 4550** (the **Meeting**) and at any postponement or adjournment of the Meeting.

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

**VOTING DIRECTIONS**

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

**Resolutions**
**For Against Abstain\***
**1** Remuneration Report

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

**2** Re-election of Director – Mr Ken Richards

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

**3** Approval of 7.1a Mandate

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

**4** Ratification of Prior Issue of Shares – Listing Rule 7.1

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

**LER PRX2101C**

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (AEST) on Sunday, 28 November 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MAIL

Leaf Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**