



4 August 2022

Dear Shareholder

General Meeting – Notice of Meeting and Proxy Form

Notice is hereby given that a General Meeting (Meeting) of Shareholders of Leaf Resources Limited (LER, the Company) will be held at 10.30 am (AEST) on 7th September 2022 at Unit 10 / 12 Kelly Court Landsborough QLD 4550.

The Company is continuing to monitor the impact of the COVID-19 virus in Queensland and following guidance from the Federal and State Governments. Having considered the current circumstances, at this stage the Directors have made the decision that a physical meeting will be held. Accordingly, Shareholders will be able to attend the Meeting in person.

In accordance with the new provisions under the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting and Explanatory Memorandum to Shareholders. The Notice of Meeting and Explanatory Memorandum is being made available to shareholders electronically and can be viewed and downloaded online at <https://leafresources.com.au/all-announcements/>.

Alternatively, a complete copy of the Notice of Meeting and Explanatory Memorandum will be available on ASX's website, under the Company's ticker code LER.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Memorandum.

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.

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

If you have any problems accessing the Notice of Meeting and Explanatory Memorandum and/or 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.

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

The Company will notify Shareholders via the Company's website at <https://leafresources.com.au/all-announcements/> and the Company's ASX Announcement Platform at asx.com.au (ASX: LER) if changing circumstances impact the planning or arrangements for the Meeting.

By Order of the Board of Directors

Drew Speedy
Company Secretary
Leaf Resources Ltd

LEAF RESOURCES LIMITED
ACN 074 969 056
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:30am Australian Eastern Standard Time (AEST)

DATE: 7 September 2022

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 10:30am (AEST) on 5 September 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT 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 (and agreement to issue) 170,000,000 Shares to the Placement Participants on the terms and conditions set out in the Explanatory Statement."

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTE 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 55,925,935 Shares to the Convertible Note Holders on the terms and conditions set out in the Explanatory Statement."

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

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF ALTOR OPTIONS – 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 10,000,000 Options to Altor on the terms and conditions set out in the Explanatory Statement."

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

4. RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 85,000,050 Placement Options to the Placement Participants as free-attaching Options for Placement Shares subscribed for and issued under the Placement, on the terms and conditions set out in the Explanatory Statement."

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

5. RESOLUTION 5 – APPROVAL TO ISSUE CONVERTIBLE NOTE OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 27,962,973 Convertible Note Options as free-attaching Options for Shares issued to the Convertible Notes Holders, on the terms and conditions set out in the Explanatory Statement.”

6. RESOLUTION 6 – AMENDMENT OF CONSTITUTION

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

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its Constitution to amend clause 3, 8.4 (c), 9.8 and 10.2, and include a new clause 14.”

Dated: 4 August 2022

By order of the Board

**Drew Speedy
Company Secretary**

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:

Resolution 1 – Ratification of Prior issue of Placement Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Placement Participants) or an associate of that person or those persons.
Resolution 2 – Ratification of Prior Issue of Convertible Note Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Convertible Note Holders) or an associate of that person or those persons.
Resolution 3 – Ratification of Prior issue of Altor Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely Altor Capital Management Pty Ltd as trustee for the Altor AltFi Income Fund) or an associate of that person or those persons.
Resolution 4 – Approval to Issue Placement Options	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) (namely, the Placement Participants or an associate of that person (or those persons)).
Resolution 5 – Approval to Issue Convertible Note Options	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) (namely, the Convertible Note Holders 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

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 10:00am (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.

EXPLANATORY STATEMENT

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.

1. BACKGROUND TO RESOLUTIONS

1.1 Placement Shares and Options

On 13 July 2022, the Company announced that it had received firm commitments from professional and sophisticated investors (**Placement Participants**) to raise \$5,100,000 via the issue of approximately 170,000,000 Shares (**Placement Shares**) at an issue price of \$0.003 per Share (**Placement**).

The Company also announced that, subject to obtaining Shareholder approval, participants in the Placement would be issued one (1) free-attaching Option for every two (2) Placement Shares subscribed for and issued to them pursuant to the Placement (**Placement Options**). Fractional entitlements will be rounded up to the nearest whole number. The Placement Options are exercisable at \$0.045 on or before 31 August 2023.

As at the date of this Notice of Meeting, the Company issued 156,666,667 Placement Shares for a total of \$4,700,000 raised under the Placement, pursuant to the Company's available placement capacity under ASX Listing Rule 7.1.

The Company has further agreed to issue 13,333,333 Placement Shares, which are expected to be issued in or around August 2022, subject to receipt of the subscription amount (being \$400,000) for those Placement Shares.

Accordingly, the Company is seeking to ratify the issue of, and the agreement to issue, the Placement Shares pursuant to Listing Rule 7.4 under Resolution 1.

In addition, the Company is seeking Shareholder approval for the issue of up to 85,000,050 Placement Options under Listing Rule 7.1 to the Placement Participants pursuant to Resolution 4.

1.2 Convertible Note Shares and Options

On or about 4 May 2022, the Company entered into a convertible note deed with approximately 23 convertible note holders (**Convertible Note Holders**), pursuant to which the Company agreed to issue a total of 1,510,000 convertible notes (**Convertible Notes**) with a face value equal to \$1.00 per Convertible Note for a total subscription sum of \$1,510,000 (**Convertible Note Deed**).

Under the Convertible Note Deed, the Convertible Notes shall automatically convert into Shares at \$0.027 per Share on the date the Company completes the Placement.

On 20 July 2022, the Company issued 55,925,935 Shares upon conversion of the Convertible Notes, pursuant to the Company's existing placement capacity under Listing Rule 7.1 (the subject of Resolution 3) (**Convertible Note Shares**). Accordingly, the Company is seeking Shareholder approval to ratify the issue of the Convertible Note Shares pursuant to Listing Rule 7.4 under Resolution 2.

On or about 1 July 2022, the Company entered into a deed of variation in relation to the Convertible Note Deed with the Convertible Note Holders, pursuant to which the Company agreed to issue to the Convertible Note Holders (or their

nominees) one (1) free-attaching options to acquire Shares (**Convertible Note Options**) for every two (2) Convertible Note Shares issued, subject to the Company obtaining Shareholder approval. The Convertible Note Options are exercisable at \$0.045 on or before 31 August 2023.

The Company is seeking Shareholder approval for the issue of up to 27,962,973 Convertible Note Options under Listing Rule 7.1 to the Convertible Note Holder pursuant to Resolution 5.

1.3 Altor Options

On 29 April 2021, the Company entered into a facility agreement with Altor Capital Management Pty Ltd as trustee for the Altor AltFi Income Fund (**Altor**), pursuant to which Altor agreed to provide the Company with a loan facility of up to \$2,000,000 (**Facility**) (**Facility Agreement**).

In consideration for the Facility, the Company agreed to issue 4,000,000 Options to Altor with an exercise price of \$0.13 expiring on 29 April 2024 (**Original Altor Options**).

On 6 May 2022, the Company entered into an options offer letter agreement with Altor, pursuant to which the Company agreed to issue Altor with 10,000,000 Options, exercisable at \$0.04 each, on or before three years from the date of issue (**Altor Options**) as consideration for increasing the Facility under the Facility Agreement to \$2,500,000 (**Altor Options Offer Letter Agreement**).

On 20 July 2022, the Company issued 10,000,000 Altor Options pursuant to the Company's existing placement capacity under Listing Rule 7.1 (the subject of Resolution 3). Accordingly, the Company is seeking Shareholder approval to ratify the issues of Altor Options pursuant to Listing Rule 7.4 under Resolution 3.

1.4 Use of Funds

The funds raised under the Placement, the Convertible Notes and the Facility Agreement are intended to be used to complete settlement on the 16,000tpa replacement chemical extraction equipment, for debt repayment general working capital and cover the costs of the Placement.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULES 7.1

2.1 General

As set out in Section 1 above, on 20 July 2022, the Company issued and agreed to issue 170,000,000 Placement Shares at an issue price of \$0.03 per Placement Share to the Placement Participants under the Placement.

2.2 Listing Rule 7.1

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 shares it had on issue at the start of that period.

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 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under

Listing Rule 7.1 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 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.3 Technical information required by Listing Rule 14.1A

If Resolutions 1 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, 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 1 is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Placement Shares.

2.4 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 1:

- (a) the Placement Shares were issued or agreed to issue to professional and sophisticated investors who are clients of the Lead Manager. The recipients were identified through a bookbuild process, which involved the Lead Manager 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) 170,000,000 Placement Shares were issued or agreed to be issued and the Placement Shares issued or agreed to be issued are 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) 156,666,667 Placement Shares were issued on 20 July 2022;

- (e) 13,333,333 Placement Shares are expected to be issued in or around August 2022, subject to receipt of the subscription amount (being \$400,000) for those Placement Shares;
- (f) the issue price is \$0.03 per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares, other than as stated in this Notice of Meeting;
- (g) the purpose of the issue of the Placement Shares was to raise \$5,100,000, which will be applied towards completing settlement on the 16,000tpa replacement chemical extraction equipment, for debt repayment general working capital and cover the costs of the Placement; and
- (h) the Placement Shares were not issued or agreed to be issued under an agreement.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTE SHARES – LISTING RULE 7.1

3.1 General

As set out in Section 1 above, on 20 July 2022, the Company issued 55,925,935 Shares upon conversion of 1,5100,000 Convertible Notes under the Convertible Note Deed at a conversion price of \$0.027 per Share (**Convertible Note Shares**).

As summarised in Section 2.2 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.

The issue of the Convertible Note 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 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Convertible Note 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 Convertible Note Shares.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Convertible Note Shares.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Convertible Note Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, 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 Convertible Note Shares.

If Resolution 2 is not passed, the Convertible Note Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Convertible Note Shares.

3.3 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 2:

- (a) the Convertible Note Shares were issued to the Convertible Note Holders;
- (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) 55,925,935 Convertible Note Shares were issued and the Convertible Note 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 Share;
- (d) the Convertible Note Shares were issued on 20 July 2022;
- (e) the conversion price was \$0.0027 per Convertible Note Share. The Company has not and will not receive any other consideration for the issue of the Convertible Note Shares;
- (f) the purpose of the issue of the issuance Convertible Notes was to raise \$1,510,000, which will be applied towards completing settlement on the 16,000tpa replacement chemical extraction equipment, for debt repayment and general working capital;
- (g) the Convertible Note Shares were issued to Convertible Note Holders under the Convertible Note Deed in satisfaction of the amounts owed to the Convertible Note Holders under the Convertible Note Deed. A summary of the material terms of the Convertible Note Deed is set out in Schedule 1.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF ALTOR OPTIONS – LISTING RULE 7.1

4.1 General

As set out in Section 1 above, the Company issued 10,000,000 Altor Options in consideration for increasing the Facility under the Facility Agreement.

As summarised in Section 2.2 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.

The issue of the Altor Options 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 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Altor Options.

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 of the issue of the Altor Options.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of the Altor Options.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Altor Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, 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 Altor Options.

If Resolution 3 is not passed, the Altor Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Altor Options.

4.3 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 3:

- (a) the Altor Options were issued to Altor;
- (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) 10,000,000 Altor Options were issued and the Altor Options were issued on the terms and conditions set out in Schedule 2;
- (d) the Altor Options were issued on 20 July 2022;

- (e) the Altor Options were issued at a nil issue price, in consideration for increasing the Facility under the Facility Agreement. The Company has not and will not receive any other consideration for the issue of the Altor Options (other than in respect of funds received on exercise of the Altor Options);
- (f) the purpose of the issue of the Altor Options was to satisfy the Company's obligations under the Altor Options Offer Letter Agreement; and
- (g) the Altor Options were issued to Altor under the Altor Options Offer Letter Agreement. A summary of the material terms of the Altor Options Offer Letter Agreement is set out below:
 - (i) the Company shall issue Altor with 10,000,000 Options as consideration for increasing the facility available under the Facility Agreement;
 - (ii) the Altor Options will be issued on the date of the lodgement of a cleansing prospectus prepared by the Company;
 - (iii) the Altor Options will be subject to the terms and conditions set out in Schedule 2; and
 - (iv) the Shares to which Altor is entitled to upon exercise of the Altor Options will be issued to Altor (and/or its nominee) as soon as practicable after the exercise date.

5. RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT OPTIONS

5.1 General

As set out in Section 1 above, the Company announced that the Placement Participants would be issued one (1) free-attaching Option for every two (2) Shares subscribed for and issued to them pursuant to the Placement (**Placement Options**). Fractional entitlements will be rounded up to the nearest whole number.

As summarised in Section 2.2 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 shares it had on issue at the start of that period.

The proposed issue of the Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Placement Options. In addition, the issue of the Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Placement Options.

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Placement Options.

5.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the Placement Options will be issued to professional and sophisticated investors who are clients of the Lead Manager. The recipients will be identified through a bookbuild process, which will involve the Lead Manager seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (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) the maximum number of Placement Options to be issued is equal to 50% of the number of Placement Shares to be issued (being approximately 85,000,050 Placement Options) as the Placement Options will be issued free attaching with the Placement Shares on a 1:2 basis (rounded up for fractional entitlements);
- (d) the Placement Options will be issued on the terms and conditions set out in Schedule 3;
- (e) the Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Options will occur on the same date;
- (f) the issue price will be nil per Placement Option as the Placement Options will be issued free attaching with the Placement Shares on a 1:2 basis (rounded up for fractional entitlements). The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options);
- (g) the Placement Option are not being issued under an agreement; and
- (h) the Placement Option are not being issued under, or to fund, a reverse takeover.

6. RESOLUTION 5 – APPROVAL TO ISSUE CONVERTIBLE NOTE OPTIONS

6.1 General

As set out in Section 1 above, on or about 1 July 2022, the Company entered into a deed of variation in relation to the Convertible Note Deed with the Convertible Note Holders, pursuant to which the Company will issue to the Convertible Note Holders (or their nominees) one (1) free attaching Option for every two Convertible Note Shares subscribed for (**Convertible Note Options**).

As summarised in Section 2.2 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 shares it had on issue at the start of that period.

The proposed issue of the Convertible Note Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Convertible Note Options. In addition, the issue of the Convertible Note Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Convertible Note Options.

Resolution 5 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Convertible Note Options.

6.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the Convertible Note Options will be issued to the Convertible Note Holders;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (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) the maximum number of Convertible Note Options to be issued is equal to 50% of the number of Convertible Note Shares to be issued (being approximately 27,962,973 Options) as the Convertible Note Options will be issued free attaching with the Shares on a 1:2 basis;
- (d) the Convertible Note Options will be issued on the terms and conditions set out in Schedule 3;
- (e) the Convertible Note Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Convertible Note Options will occur on the same date;
- (f) the issue price will be nil per Convertible Note Option as the Convertible Note Options will be issued free attaching with the Shares on a 1:2 basis. The Company will not receive any other consideration for the issue of the Shares and Options (other than in respect of funds received on exercise of the Options);

- (g) the Convertible Note Options are being issued to Convertible Notes under the Convertible Note Deed. A summary of the material terms of the Convertible Note Deed is set out in Schedule 1; and
- (h) the Convertible Note Options are not being issued under, or to fund, a reverse takeover.

7. RESOLUTION 6 – AMENDMENT TO CONSTITUTION

7.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 6 is a special resolution which will enable the Company to amend its existing Constitution (**Amended Constitution**) to amend clause 3, 8.4 (c), 9.8 and 10.2, and include a new clause 14 as noted below in section 7.2.

A copy of the Amended Constitution is available for review by Shareholders at the office of the Company. A copy of the Amended Constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

7.2 Summary of material proposed changes

(a) Minimum Securityholding (clause 3)

This Proposed Constitution now extends the minimum holding provisions to all securities as provided for under the Listing Rules. The clause previously only referred to shares.

(b) Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a “reasonable fee” for registering paper-based transfers, sometimes referred to “off-market transfers”.

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

(c) Joint Holders (clause 9.8)

CHESS is currently being replaced by ASX with a projected go-live date of April 2023. As part of the CHESS replacement, the registration system will be modernised to record holder registration details in a structured format that will allow up to four joint holders of a security. Clause 9.8 of the Proposed Constitution provides that the number of registered joint holders of securities shall be as permitted under the Listing Rules and the ASX Settlement Operating Rules.

(d) Capital Reductions (clause 10.2)

The Proposed Constitution now permits sales of unmarketable parcels to a sale nominee as part of a capital reduction.

(e) **Use of technology (clause 14)**

The Proposed Constitution includes a new provision to permit the use of technology at general meetings (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

GLOSSARY

\$ means Australian dollars.

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

Altor means Altor Capital Management Pty Ltd as trustee for the Altor AltFi Income Fund.

Altor Options has the meaning set out in Section 1.3.

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).

Convertible Notes has the meaning set out in Section 1.2.

Convertible Note Deed means the convertible note deed entered into the Convertible Note Holders.

Convertible Note Holders has the meaning set out in Section 1.2.

Convertible Note Options means the free-attaching Options to be issued to the Convertible Note Holders for every two Convertible Note Shares issued to the Convertible Note Holders.

Convertible Note Shares means the Shares to be issued to the Convertible Note Holders upon conversion of the Convertible Notes.

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.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Listing Rules means the Listing Rules of ASX.

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

Placement has the meaning set out in Section 1.1.

Placement Participants means sophisticated and professional investors who participated in the Placement.

Placement Options means the free-attaching Options to be issued to the Placement Participants under the Placement for every two Placement Shares held by the Placement Participants (rounded up for fractional entitlements).

Placement Shares means the Shares to be issued to the Placement Participants under the Placement.

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.

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

Shareholder means a registered holder of a Share.

SCHEDULE 1 – CONVERTIBLE NOTE DEED SUMMARY

A summary of the key terms of the Convertible Note Deed is as follow:

(a) **Subscription for Convertible Notes**

The Company agrees to issue convertible notes (**Convertible Note**) to each of the convertible note holder (**Convertible Note Holder**) for the subscription sum.

(b) **Face Value**

The face value of a Convertible Note is \$1.00.

(c) **Conversion**

Each Convertible Note shall automatically convert into one fully paid ordinary share in the capital of the Company at the Conversion Price (below) on the date the Company completes its the placement to professional and sophisticated investors via an issue of shares at an issue price of \$0.03 (**Placement**)(**Conversion Date**).

(d) **Conversion Price**

The conversion price of the Convertible Note will be 10% discount of the price that the Shares that will be issued at the Company's Placement and maximum price of \$0.027.

(e) **Convertible Note Options**

The Company will issue to each of the Convertible Note Holder (or its nominee) one (1) free-attaching option for every two (2) shares held as a result of the Conversion (**Option**). The Options will be exercisable at \$0.045 each on or before 31 August 2023.

(f) **Repayment of Convertible Note**

The Company agrees and acknowledges that if the Placement is not completed on or before three (3) months from the date of execution of the Convertible Note Deed, all of the subscription sum must be immediately repaid together with all interest accrued to the Convertible Note Holder (**Repayment Date**).

(g) **Interest**

The Convertible Notes shall bear interest at the rate of 1% per month on the subscription sum from the subscription date until the earlier of:

- (i) the Conversion Date; and
- (ii) the Repayment Date.

(h) **Payment of Interest**

The Company shall pay the Noteholder all accrued interest in respect of the Convertible Notes in cash upon the earlier of:

- (i) the Conversion Date; and
- (ii) the Repayment Date.

(i) **Security**

The Convertible Notes are secured and the Convertible Note Holders have second ranking charge over the Company and its assets but after Altor, being the lender of the Company's senior loan, where the Company has granted Altor a first ranking Security Interest in the Company and its assets.

(j) **Default**

If an Event of Default (below) occurs, the Convertible Note Holder may then or at any time subsequently by notice to the Company:

- (i) declare all money owing under the Convertible Note Deed to be immediately due and payable, and the Company must immediately pay that money (including accrued interest and fees) and cash cover for the full amount of any money contingently owing under the Convertible Note Deed; and/or
- (ii) cancel its obligations (if any) under the Convertible Note Deed.

(k) **Events of Default**

Each of the following is an Event of Default:

- (i) **breach:** the Company is in breach of this Deed and fails to rectify such breach within five Business Days of receiving written notice from the Noteholder specifying such breach;
- (ii) **misrepresentation:** any representation, warranty or statement made or repeated in or in connection with this Deed is untrue or misleading (whether by omission or otherwise) when so made or repeated or becomes untrue or misleading (or, in the case of financial forecasts, unfair or unreasonable) when taken as a whole;
- (iii) **involuntary winding up:** an application or order is made for the winding up of the Company or for the appointment of a liquidator;
- (iv) **voluntary winding up:** the Company passes a resolution for its winding up;
- (v) **receiver:** a receiver, controller (within the meaning of section 9 of the Corporations Act) or analogous person is appointed to, or the holder of a Security Interest takes possession of all, or any part of the assets of the Company;
- (vi) **insolvency:** the Company:
 - (A) suspends payment generally;
 - (B) becomes an externally-administered body corporate within the meaning of the Corporations Act;
 - (C) becomes subject to administration under Part 5.3A of Chapter 5 of the Corporations Act, or steps are taken which could reasonably be expected to result in the Company becoming so subject; or
 - (D) is or states that it is, or is deemed by applicable law to be, unable to pay its debts as and when they fall due;

- (vii) **statutory demand:** a statutory demand is served on the Company under section 459E of the Corporations Act or pursuant to section 459F of the Corporations Act the Company is taken to have failed to comply with that statutory demand;
- (viii) **compromise or arrangement:** the Company takes any step for the purpose of entering into a compromise or arrangement with any of its members or creditors except for the purpose of a reconstruction, amalgamation, merger or consolidation on terms approved by the Noteholder;
- (ix) **change in ownership:** there is a Change of Control of the Company, without the prior written approval of the Noteholder;
- (x) **failure to comply with waiver:** if any Event of Default (or occurrence which would otherwise have been or become an Event of Default) is conditionally waived by the Noteholder and the Company does not comply with those conditions or those conditions are not fulfilled (whether by the Company or any other person) or are or become incapable of fulfilment;
- (xi) **investigations:** a person is appointed under any legislation to investigate or manage any part of the affairs of the Company; or
- (xii) **provisions void:** all or any material provision of this Deed:
 - (A) does not have effect or ceases to have effect in accordance with its terms;
 - (B) is or becomes void, voidable, illegal, invalid or unenforceable other than by reason of equitable principles or laws affecting creditors' rights generally; or
 - (C) is claimed by the Company or any other person to be any of the matters referred to in paragraphs (i) or (ii) or the Company or any other person commences any court proceedings to establish any of the matters referred to in paragraphs (i) or (ii) to be the case.

SCHEDULE 2 – TERMS AND CONDITIONS OF ALTOR OPTIONS

The terms and conditions of the Altor Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (AEST) on the date that is 3 years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Reconstruction, bonus issues, rights issues etc.

- (i) If at any time the issued share capital of the Company is reconstructed (including by way of consolidation or share-split), then, subject to the Corporations Act and the ASX Listing Rules, the Options shall be reconstructed (including by way of consolidation or option-split) on the same basis so that the Optionholder is not prejudiced by such reconstruction of the Company's issued share capital.
- (ii) If the Company conducts a pro rata issue (except a bonus issue) of securities to its shareholders after the date of issue of the Options, the exercise price of the Options will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2. This clause is only applicable if the Company's shares are quoted on the ASX.
- (iii) If the Company conducts a bonus issue of securities to its shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable will be increased by the number of securities which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue. This clause is only applicable if the Company's shares are quoted on the ASX.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) Quotation

The Company will not apply for quotation of the Options on the ASX (or any other exchange).

SCHEDULE 3 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS AND CONVERTIBLE NOTE OPTIONS

The terms and conditions of the Placement Options and Convertible Note Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.045(**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on 31 August 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

LODGE YOUR VOTE

ONLINE
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: 1300 554 474

Overseas: +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 **10:30am (Brisbane Time) on Wednesday, 7 September at Unit 10 / 12 Kelly Court, Landsborough QLD 4550** (the **Meeting**) and at any postponement or adjournment of the Meeting.

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*		For	Against	Abstain*
1 Ratification of Prior Issue of Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval to Issue Convertible Note Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Convertible Note Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Amendment of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Prior Issue of Altor Options – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval to Issue Placement Options	<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 PRX2201A

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.

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:

- 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
- 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.

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 **10:30am (Brisbane Time) on Monday, 5 September**, 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

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 MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



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)

**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.**