

Update on Letter of Intent

The Board of Directors of **Leaf Resources Limited (ASX:LER)** ("**Leaf**" or "**Company**") provides the following update in relation to the recently announced Letter of Intent. Following discussion between the Company and Formosa Group Australia Pty Ltd ("**FGA**"), the parties have resolved to end the non-binding Letter of Intent (LOI) in relation to the offtake of premium wood pellets which was announced on 10 January 2023 with updates on 24th January 2023 and the 31st January 2023. The non-binding LOI is seen to be no longer appropriate and ending it allows both parties to pursue broader opportunities in the wood pellet market.

Leaf and FGA will now work together on targeting and securing potential offtake partners in Europe, New Zealand and the Northeast Asia Region where demand for wood pellets is very strong.

Importantly, the proposed strategic investment by FGA and Formosa Technologies Pty Ltd into Leaf via the private placement announced on 10 January 2023 will continue as planned, subject to shareholder approval.

For more information please contact:

Leaf Resources Limited

Investors@leafresources.com.au

Investor Relations

Peter Taylor

Peter@nwrcommunications.com.au

AUTHORISATION STATEMENT

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

ABOUT LEAF RESOURCES

Leaf is positioning itself to become a leading global supplier of natural and renewable pine chemicals. It has developed a proprietary process to naturally extract pine chemicals by employing the trees own solvent chemicals to extract rosin and terpenes. These products are commonly used in industrial manufacturing and are a key input to everyday end products. These products include adhesives, gum, inks, paint, car tyres and perfume.