

Australian Securities Exchange Announcement

21 July 2014

New Director Appointment

The Directors of Leaf Energy are pleased to announce the appointment of Matthew Morgan as a director of the company.

Matthew is an experienced executive having spent the majority of his career as an executive manager in high growth private equity funded companies. He was formerly a venture capitalist for QIC BioVentures, a wholly owned subsidiary of QIC Limited, a \$60b wholesale fund manager.

Matthew brings substantial experience as a company director having been on a number of boards including those of both private equity funded and ASX listed Companies. He is currently a non executive director of Diversa Ltd and Bluechiip Ltd.

Matthew brings proven strategic and transactional skills to the Leaf Energy board. He runs his own consultancy firm focused on emerging companies and his recent projects include leading and advising on acquisition and licensing transactions, capital raising in both public and private markets and commercialisation and strategic planning.

Matt has a Bachelor of Commerce, a Bachelor of Applied Science, an MBA from BGSB (QUT) and in 2007 was the first Australian to be awarded a 2 year Kaufman Fellowship¹ which was undertaken in San Francisco.

Chairman of Leaf Energy Dr. Jay Hetzel commented:

“We are extremely fortunate to have someone with Matt’s skills and experience to join the Leaf Energy board at a time when the company is poised for considerable growth.

Having recently lodged two new patents, released a scoping study confirming the robust economics of our Glycell™ process and announced an outstanding saccharification result, Leaf Energy is poised for growth in a market that is set to experience considerable growth. Matt’s connections within the finance Industry both in Australia and the USA and outstanding business skills will complement the current Leaf Energy board”.

Matt Morgan said “I am excited by the opportunity to join the Leaf Energy board at a time when the Company is transitioning from a business focused on research and development to a Company focused on commercialising its novel products on the global stage”.

¹The Kauffman Fellowship is a **two-year program** dedicated exclusively to the world of innovation investing and its mission is “to identify, network and develop future global leaders of the venture capital industry.”

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About Leaf Energy Ltd (ASX: LER)

In virtually every industry consumer demand for greener more natural products is fuelling a surge of interest in bio-based alternatives to replace oil based products.

Leaf Energy's Glycell™ process is a simple, innovative and effective process that operates at low temperature and pressure using a waste, biodegradable reagent, glycerol, to break down plant biomass into its constituent parts: cellulose, hemicellulose and lignin. Cellulose is a critical building block for many bio-based products.

The operating conditions of the Glycell™ process means it has significantly lower capital costs and significantly lower operating costs than rival, currently used, processes such as steam explosion and can produce low cost cellulose at virtually any scale.

Leaf Energy's pathway to commercialisation is tangible and realisable and we are ready to pursue our commercial objectives on a global scale. The Company's commercialisation objectives are:

1. Engage with potential partners for the building of a demonstration facility for the production of cellulose from plant biomass; and
2. Engage with potential licensees for sale of a license to produce cellulosic sugars.

In both scenarios, the key strategy is to engage with partners so that the capital requirements for Leaf Energy are kept to a minimum.

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